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ABSTRACT

This is the first of a 2-volume final report of a 20-month research and development project conducted by the Michigan State Employment Service agency and a private research firm. The purpose of the project was to design and test innovative methods of increasing the volume and quality of jobs listed with the employment service. Included are: (1) a description of the problem including steps taken to solve it and the resulting demonstration model, (2) the quantitative and qualitative results of the demonstration, (3) the implications for new policy and program directions, and (4) a discussion of areas requiring further research and experimentation. The second volume of the report is available as VT 020 345 in this issue. (Author/SN)

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ACHIEVING MANPOWER GOALS THROUGH MORE EFFECTIVE EMPLOYER SERVICES PROGRAMS

By

Edward J. Giblin

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FINAL REPORT

MICHIGAN EMPLOYMENT SECURITY COMMISSION –
APPLIED BEHAVIORAL RESEARCH, INC.

Research and Demonstration Project

550 Cherry Street, S.E.

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This is Volume I of a two volume final report of a 20-month Research and Demonstration Project. The Project was a joint effort between a state Employment Service agency and a private research consulting firm; Michigan Employment Security Commission - Applied Behavioral Research, Inc. The purpose of the Project was to design and test innovative methods of increasing the volume and quality of jobs listed with the Employment Service.

This volume contains a description of the problem; steps taken to solve it; the Employer Services Model that was developed; the quantitative and qualitative results of the Demonstration; the implications for new policy and program directions; and, a discussion of areas requiring further research and experimentation.

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Since contractors performing research under Government sponsorship are encouraged to express their judgments freely, the report does not necessarily represent the Department's official opinion or policy.

Moreover, the contractor assumes sole responsibility for the factual accuracy of all material developed in this report.

PREFACE

As the finished draft of this volume is about to go to press, several local offices in Michigan have already felt the impact of the R&D Project. Of the offices that became involved in the process of replicating the Project Model, Lansing has, perhaps, surpassed Grand Rapids in successful implementation. Other local offices are: Muskegon, Kalamazoo, Bay City, Saginaw, Jackson, Battle Creek, Flint and St. Joseph.

The success of replicating the Model in these nine additional cities is very much due to the efforts and dedication of James Palmeri--MESC State Office Advisor on Employer Services. Jim was formerly a Research Associate with the R&D Project. He has managed to implement the Model across much of the state with successes that surpass the test city, Grand Rapids. His efforts have done much to convince the authors and the management of MESC of the feasibility and value of the Project.

One of our learnings from this experience is that change can and does begin at the local office level. However, this is true only if the change effort has the commitment of top management. Fortunately, we had this commitment from S. Martin Taylor, the Director of MESC; Max Horton, the Deputy-Director; James Sagel, the Director of the Manpower Division; Ralph Pultz, Outstate Operations Manager; and Frank Murphy, the recently retired Detroit Area Manager. Without their support and encouragement Project initiated changes would not be occurring across the state. Recently, we took the first steps toward introducing the Project Model in nineteen additional offices in and around Detroit.

It would be impossible to give proper thanks to all the persons in the ten local offices who helped make the Project a success.

However, we must pay special thanks to Lola Thyne, Paul Kimball, Ralph Bain and Arlene Hackett. Arlene, as Supervisor of the experimental Employer Services Unit in Grand Rapids, deserves special thanks for an otherwise difficult and thankless job well done.

We would also like to acknowledge our appreciation to the Ohio Employment Security Commission for their splendid cooperation in furnishing us with a control city.

The Project received invaluable assistance from Dr. Earl E. Davis and Bert Holland in the analysis of our research findings. Norman Goldberg contributed considerably to the design of the Project and early research. Jessie Fallon and Laurel Auer spent innumerable hours translating our materials into grammatical English. Karen Ludwick did the work of several persons in the production of the reports, while also finding time to run the Project office.

Finally, we would like to pay special thanks to our Project Officer, Richard McAllister, whose patience and encouragement never wavered through 20 months of demonstration. We hope our efforts justify his support.

Edward J. Giblin

Louis Levine

February 15, 1973

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PART I: THE DEMONSTRATION EXPERIENCE

Part I of this volume describes the background and direction of the Employer Services Model employed in this Research and Demonstration Project. It consists of three chapters.

Chapter I represents an overview of the Project. It discusses the basic problem to which the Project was addressed. The goals and parameters of the Project are discussed with particular attention to the context which establishes constraints and limits. This chapter also places the research program in perspective.

Chapter II deals with the essence of the Demonstration. The initial activities of the Project are discussed. The multi-faceted approach to implementing the Demonstration is described in some detail, as are some fundamental barriers to achieving success. Finally, the chapter also contains a broad discourse on the realities of goal setting in the public Employment Service.

Chapter III consists of three major sections. This chapter is concerned with the experience in the model design and the operational elements involved in the Model. It does not at this point deal with the impact on employers. The first section describes, in outline form, our Employer Services Demonstration Model. The second section examines the problems in implementing and maintaining the major components of this Model. The third section examines the costs of some of the media oriented aspects of the Model.

CHAPTER I

AN OVERVIEW OF THE RESEARCH AND DEMONSTRATION PROJECT

THE ORIGINS OF THE PROJECT

The Project was initiated in response to a concern over prolonged and serious declines in job openings and placements in the public Employment Service. The situation was aggravated by the rise in the national unemployment rate from 3.5 percent in 1969 to 4.9 percent in 1970 and approximately 6 percent for the first half of 1971. The rate for Michigan, particularly during 1970-71 was considerably higher.

The decline in Employment Service placements and in the number of job openings listed with the local employment offices during the past decade has been attributed to a wide variety of influences. However, there is general agreement that the level of economic activity and its consequent labor market conditions comprise the single major factor which traditionally has accounted for fluctuations in the numbers and characteristics of job applicants registering with the public Employment Service, the number and kind of job openings listed by employers with the local offices, and the number and quality of placements made by the Employment Service system. An examination of Employment Service experience during the past decade, however, indicates that both job openings and placements have been influenced more by program development than by economic conditions.[1]

We will not elaborate on the program developments which led to the decrease in openings and placements.[2] Suffice it to say that the period 1961-65 witnessed a dramatic shift from placements to employability development. The implementation of the HRD concept in the summer of 1966 also contributed to the continued

decline in labor market services, a decline which persisted into 1971. Table 1.1 illustrates the national impact of these program changes on openings and placements.

Table 1.1 also shows the parallel decline in employer visits over the last decade. In 1971, visits increased for the first time in a decade, an occurrence undoubtedly due to the new emphasis placed on employer services by the USES. However, this initial increase in visits had no immediate effect on placements and openings, as Table 1.1 clearly illustrates. Table 1.2 depicts the parallel decline in activities in the Grand Rapids local office.

Figure 1.1 illustrates that placements in the test city (Grand Rapids) followed the national trends: in fiscal 1971, the Grand Rapids office had only 3,959 permanent and casual non-agricultural placements. This was less than 40 percent of the annual average total placements during the first half of the decade 1960-70. It should be mentioned that during 1971 the unemployment rate in Grand Rapids and Michigan was in the range of 8 to 10 percent, or considerably above the national level, which was around 6 percent.

PURPOSE OF THE PROJECT

The problem of declining placements and openings served as the basis of our Project direction and goals. In the original proposal, the primary purpose of the Project was stated as, "....to test various methodologies for increasing job listings in local/state Employment Service operations." The basic approach to accomplishing the stated purpose would be to increase the volume of transactions with employers and enhance the quality of relations with them. The vehicle for implementing this approach would be improvement of the local (branch) office's employer

Table 1.1

U.S. Employment Service

Non-Farm Placements and Related Activities, 1960 - 1971*

(000's omitted)

Year	Placements	Referrals	Job Openings Received	Employer Visits
1960	5,818	10,224	7,124	1,117
1961	5,902	10,783	7,321	1,646
1962	6,725	12,479	8,362	1,564
1963	6,581	12,415	8,248	1,444
1964	6,281	12,619	8,177	1,189
1965	6,473	13,348	8,690	1,095
1966	6,493	13,750	9,122	877
1967	5,817	12,907	8,092	879
1968	5,733	12,954	8,096	864
1969	5,153	11,986	7,463	750
1970	3,845	11,969	6,146	614
1971	3,700	N.A.**	6,005	1,118

* Historical Statistics of Employment Security Activities

** Not Available

Table 1.2

MESC Grand Rapids Local Office

Non-Farm Placements and Related Activities, 1960 - 1972*

Fiscal Year	Placements	Referrals	Job Openings Received	Employer Visits
1960	10,608	N.A.**	12,311	1,303
1961	8,804	N.A.	10,164	797
1962	10,904	22,450	11,978	846
1963	10,711	22,247	11,753	589
1964	11,116	N.A.	13,357	99
1965	10,242	21,956	12,297	30[1]
1966	9,345	19,611	12,325	80
1967	8,619	17,632	10,906	289
1968	7,268	16,138	10,184	451
1969	6,712	15,082	10,387	307
1970	5,580	13,435	8,700	219
1971	3,959	7,648	N.A.	223[2]
1972	5,797	14,167	N.A.	696

1. Figure is of questionable validity.

2. Figure is only for last three months of fiscal year.

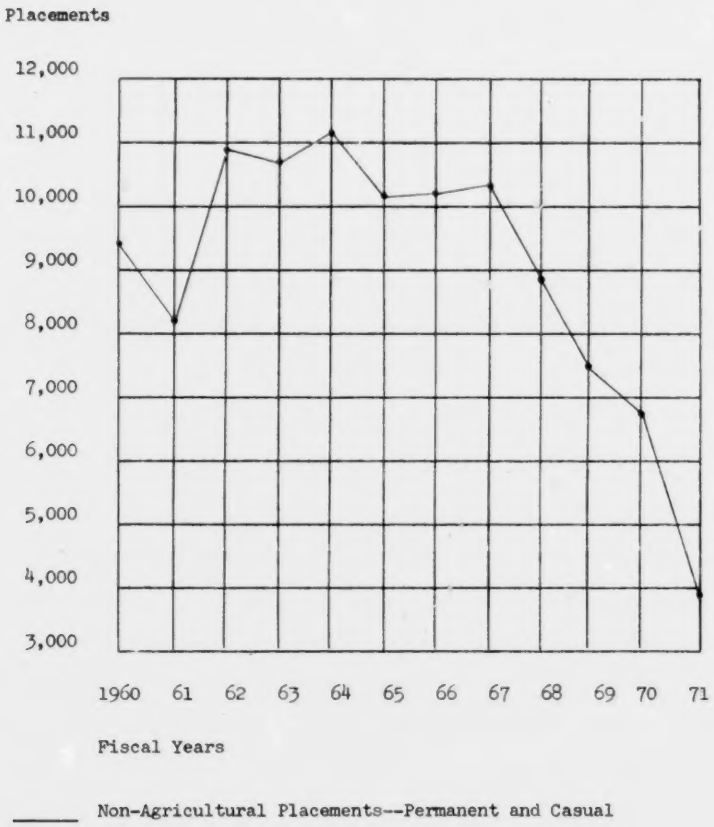
* All data from MESC, Division of Research and Statistics.

** Not Available

Figure 1.1

Grand Rapids Branch Office Placements

(July 1959 - July 1971)



services activity. The objective went beyond mere increase in job listings to improving the quality of the jobs listed and obtaining jobs in occupational categories that roughly matched the backgrounds of applicants in the Active File.

In order to accomplish the primary purpose of the Project it was necessary to try to move the test city local office from a Stage II Employer Services Program to a Stage III Program. This necessitated the organizational development activities which basically were process oriented, as opposed to the program development activities which were content oriented. The stages concept requires further elaboration, as it places our Project activities in a broad policy and program perspective.

The Alternative Stages of Development of Employer Services Programs[3]

The last decade of de-emphasis on employer relations and services has resulted in vast differences in employer services capabilities and programs across the country. While program activity declined everywhere in the country, some states such as Texas, maintained vestiges of their former employer services activity. However, many states went to the other extreme, almost totally eliminating this activity.

For purposes of exposition we would like to examine at this time four generalized models of Employer Services Programs, each of these involves progressively more complex professional competences. Actually there are innumerable program variations in existence which represent combinations of component elements of the four basic stages or models, a situation which, in and of itself, is not necessarily bad. In fact, it tends to confirm the view that the employer services activities in any single locality

must be responsive to a composite of many individual factors. There is no single model or program for Employer Services which would serve the needs of all local offices throughout the country.

In discussing the four stages of Employer Services Programs, their activities and outputs, the reader must bear in mind that we are discussing the functions of Employer Services and not the entire local office. This is not to say that the overall operation of the local office can be ignored. The activities of Employer Services and other units in the office are interdependent. Also, we cannot ignore the impact on the Employer Services Unit of the community and local labor market externalities. Chart 1.1 presents a simplified overview of the four stages and the major thrust and outputs of each.

Stage I, Minimum Informal Employer Relations, is an elementary stage existing only in very small local offices with limited labor markets and will be handled separately. This stage has no relevance to our Research and Demonstration Project activities.

Stage II, Ineffective Support for the Placement Function, was clearly represented by our test city before the Demonstration got underway. This situation represented a major short run constraint to increasing the quantity and quality of jobs listed with the test city local office. Stage II is an ineffective condition that has evolved from the de-emphasis on employer services programs over the last decade; it probably portrays the condition of Employer Services Programs in most local offices with more than 15 persons. From the standpoint of national policy, this stage has two distinct drawbacks: in the short run it will not adequately support the local offices in their attempts to substantially increase the quantity and quality

Chart 1.1

COMPARISONS OF FOUR STAGES OF EMPLOYER RELATIONS/SERVICES PROGRAMS: MAIN THRUST AND PRINCIPAL OUTPUTS

STAGES	EMPLOYER RELATION/SERVICES UNIT	MAIN THRUST(S)	PRINCIPAL OUTPUT(S)
Stage I: Minimum Informal Employer Relations Local Office Size: 15 or less ES or ES/UI combined	• No unit or persons assigned to full time employer service activities. • Employer relations handled by office manager, interviewers, etc.	• Traditional placement activity.	• Adequate amount of generally lower waged, lower skilled placements. • Reasonable employer and community acceptance.
Stage II: Ineffective Support for Placement Function Local Office Size: 16 and over ES or ES/UI combined	• No formally organized or coordinated employer services unit. • Full time staff with employer relations responsibility working independently of one another.	• Traditional placement activity. • Extensive effort on special programs.	• Generally excluded from higher paid, higher skilled placements. • Very limited employer and community acceptance.
Stage III: Optimum Support for Placement Function Local Office Size: 16-50 ES or ES/UI	• Formally organized, controlled and coordinated employer services unit with direct full-time supervision.	• Improved placement operation. • Extensive employer relations. • Market directed employer services.	• Generally higher waged, higher skilled and increased placements. • Substantial employer acceptance.
Stage IV: Community Wide Employment Absorption Local Office Size: 50 or more ES only	• Formally organized, contolled and coordinated employer service unit with direct full-time supervision and a technical service capability.	• Technically oriented services to employers and other community agencies to improve employment absorption and labor market stability.	• Acceptable level of better placements. • Community employment absorption via stability of internal labor market conditions.

of placements, and in the long run it cannot provide the proper foundations for moving an Employer Services Program to Stage IV.

The emphasis of Employer Services in Stage II is on placements and OJT contracts. There are few or no distinctions in the type of job openings solicited--quantity, not quality, is the key. Considerable lip service is paid to serving "Mr. Employer." However this is interpreted by the local office as job development, with few or no services being provided to the employer. In general, the outputs of this stage are too few placements, poor quality placements, and very limited relations with employers.

Stage III, Optimum Support for Placement Operations, is typified by the Model our Project has developed and tested. From information we have received from the national offices of USES and from our own experiences with many states, there are probably a number of offices that approximate a Stage III Model, or a Stage II-III hybrid. Unlike Stage II, Stage III should not be considered a transitory condition and may, in fact, be the permanent Employer Services Model for most offices with fewer than 50 persons. These offices could not progress beyond Stage III except on a district basis, with Employer Services, especially technical services, delivered from a district, not a local, office.

The emphasis of Employer Services in Stage III is still on placements, but of greater volume and quality. In this stage attempts are made to actually service the employer, not only to assure that his job openings are promptly and properly filled, but also to take account of the employing establishment as an entity. Consequently, a range of minor services is offered. The expected and, we believe, realized outcomes of this stage will be increased

openings, increased placements, improved quality of placements and vastly improved relations with employers.

Stage IV, Community Wide Employment Absorption, is the Model suggested in USES guidelines. Undoubtedly, this is the most sophisticated and desirable of the stages, indeed an essential stage for larger offices if the state Employment Services are going to become comprehensive manpower agencies. However, to the best of our knowledge, there is probably no office in the country that is fully operative at a Stage IV level. Also, this stage is probably unique in that it is only economically and operationally feasible for the larger offices with Employment Service staffs of 50 or more persons.

The emphasis of Employer Services in this stage is not on placements, but extends comprehensively to the total labor market and especially to improving the functioning of the internal labor market. The latter focus is intended to bring abour employment stabilization of the external labor market. The objective is to minimize those employment fluctuations which are attributable to non-economic influences. This last point is of immense importance to our argument. The principal means of improving the functioning of the internal labor market is to engender greater stability in the total labor market,[4] a situation which will result from less turnover and less turnover will, in turn, generally result in proportionately fewer job openings. Greater efforts will have to be made to expand the local office's employer market, not to increase placements but just to maintain the level of placements realized in Stage III. Thus, the expected and realized outcome of this stage will not be an increase in placements but employment absorption. The local office will have to be judged on different

criteria than are presently used if its activities are to be properly evaluated.

It is interesting that, based on office size, there are probably fewer than 150 offices in the entire country that could economically and operationally move to a Stage IV Employer Services Program.

Whether a Stage IV Employer Services Program is economically and operationally justified in a particular location is largely dependent upon the size, diversity, and complexity of the local labor market. It is doubtful whether more than 60 percent (about 160) of the approximately 270 Standard Metropolitan Statistical Areas (SMSA) in the country could qualify for this type of Employer Services Program. Considering the professional and technical scarcities of qualified Employer Services Representatives, Labor Market Analysts, and Occupational Analysts required for a Stage IV Employer Services Program, as well as the high costs involved, the introduction of such a program to many such areas is at best a long term objective. On the basis of current size of local office staff (which is a major determinant of organizational structure and specialization) fewer than 150 offices in the entire country could meaningfully participate in this type of Employer Services Program.

THE PARAMETERS OF THE RESEARCH AND DEMONSTRATION PROJECT

Many research projects are conducted in "laboratory" environments, environments which are partially controlled so as not to allow exogenous variables to cloud the effects of the experimental manipulations. To attempt to create such an environment when experimenting with programmatic aspects of the public Employment Service would be so artificial as to render the experiment useless. For in reality, the public Employment Service exists in the most diverse and dynamic of environments, subject to both the vagaries of the labor

market and federally determined policy and program directions. Thus, no attempt was made to engender an ideal situation for the experiment and, as a result, the experimental office was subject to all the difficulties faced by most local offices. Such problems in the test city included:

- A very conservative business community
- A high unemployment rate
- A generally lower wage labor market
- A very diversified employer market with a preponderance of smaller employers
- Inadequate local office staffing
- Inadequate and run-down office facilities

Test City Characteristics

The test city (Grand Rapids) was chosen so as to be representative of the conditions faced by a majority of Employment Service local offices throughout the country. The test city has a very diversified labor market so that it is not subject to the influences of one or a very few major industries. It had experienced relatively high unemployment for a couple of years, and had a preponderance of low wage jobs. Its socio-economic climate was that of a moderately conservative medium-sized American city. Considerable social and economic data is found in Chapter IV of this volume.

Local Office Characteristics

The fact that the local office was representative of a Stage II Employer Services Program describes most of its operational parameters. The local office is described in more detail in Chapter IV, so we'll limit this description to some brief, but important items that influenced the Demonstration.

As most state agencies were faced with no possible increases in staff and in many cases, decreases, it was decided not to add any staff for the purposes of the experiment. In addition, Project staff was prohibited from directly engaging in operational activities, such as employer contacts. Thus, the field situation was representative of that faced by most local offices. In fact, compared to many local offices throughout the country, the office was relatively understaffed. A description of the office and staffing can be found in Chapter IV so it will not be described in detail in this section.

The absence of a Job Information Service prevented a self-service approach to handling the heavy influx of job-ready applicants. Had a J.I.S. existed, it undoubtedly would have reduced the burden placed on the local office by the prolonged period of high unemployment. Actually, the local office was missing a vital element of a J.I.S.--adequate job search information in a readily retrievable form. Even in the absence of a J.I.S., such information would have facilitated the placement process. The absence of it, or a viable means of obtaining it on an on-going basis, would have greatly reduced the effect of a J.I.S., had one existed.

The simultaneous implementation of Job Bank with the start of the experiment was a mixed blessing. Apart from the Project's interventions, Job Bank represented major changes for the local office. Such changes required extra staff time and energies. Also, in the initial period, the operations of Job Bank did not enhance relations with employers, but probably worsened such relations. However, the simultaneous start of Job Bank and the Project enabled the Project to assist the operating people in better wedding Job Bank to the overall operation. It also enabled the Employer Services

Unit to build on the "promotional advantages" of Job Bank from the start of the Demonstration.

Civil Service regulations are a serious constraint against effective management practices in Michigan. While Civil Service does not eliminate management prerogatives, it greatly reduces the influence and flexibility of operations. To a degree, this problem confronts all state Employment Services. However, it appears to be an especially acute problem in Michigan and has influenced the management of the local office.

The Use of Outside Resources

The Project was staffed as sparsely as possible, since with the exception of research help, the level of staffing was intended to represent the developmental and technical assistance capability most state agencies could provide to their local offices.

The Project operated with a director who was an ES local office manager on special leave and a research director who was trained in research methodology and experienced in research and demonstration projects. This second position was especially fitted to the research and demonstration nature of the Project and would not normally be required in a local office's program operations. The slot was filled by the outside sub-contractor. A research and demonstration associate assisted the Project and research directors. This person was an Employer Relations Representative on special leave. These three staff members received editorial and typing assistance. Limited outside consulting help was employed, but primarily for documentation of the Project's experience and results.

Limitations On Activities As Imposed By The Research and Demonstration Design

One of the parameters of the experiment was self-imposed--a somewhat limited demonstration design. The design was primarily limited to experimenting with innovative Employer Services techniques for increasing job listings. It was recognized at the outset that many aspects of a local operation influenced the employer's decision to place job orders. However, it was felt that services to employers was the major factor. Also, in order to keep the study "clean," it was decided to limit the number of components the Project would test. This procedure would then enable the Project to isolate and measure the effect of these selected components on changes in employer transactions and attitudes.

From a research and demonstration point of view this approach has obvious merit. However, from an operational point of view it proved much too limiting for a completely successful demonstration. The overwhelming importance employers placed on the quality of applicants referred to them dictated a much broader approach to increasing job openings than was delineated by the Project's design. The realities of the situation dictated that considerable attention be given to the Placement and Job Bank operations. The Project attempted selected activities with these operations, but given limited time, resources, and original mandate, it was not able to make the kind of far-reaching changes deemed necessary.

In retrospect, the almost total interdependence between Placement, Job Bank, and Employer Services should have led to a broader design and more resources to deal with this greater and more complex undertaking.

THE MAJOR ACTIVITIES OF THE PROJECT

The role of the Project in the Demonstration might best be understood by examining three major areas of activity with which it has been concerned: program development, organizational development, and research.

Program development involved the design and development of Employer Services Program components. It also involved giving technical assistance to the local (branch) office to implement these components. Program components provided included a new employer selection method; a new employer information and coordination system; a public relations program of brochures, television commercials, radio spots and press releases; etc. Most of the Project's time was devoted to this type of intervention.

A second area of activity was organizational development. Here, activities were directed toward improving the effectiveness of the local office's manpower resources, at least those directly involved in the accomplishment of the Project's objectives. Such interventions included creating an Employer Services Unit and training its staff; designing a management-by-objectives approach for the Employer Services Program; training local office staff in goal-directed activity, cooperation and coordination; working to enhance intra-office communications; etc.

Organizational and program development activities are discussed throughout Chapters II and III, and elsewhere in the volume. We will not attempt to place the third activity, research, in perspective. Hopefully, a discussion of the research program at this juncture will facilitate the reading and understanding of the remainder of the report.

THE RESEARCH PROGRAM

The primary purpose of the research program was to evaluate objectively the results and feasibility for replication of the Project's Employer Services Demonstration Model. That is, did the components of the Model have a significant impact on increasing job listings, and is the Model feasible for implementation at a Stage II local office (is it transferable)? The research also attempted to determine statistically which components or combinations thereof had the greatest impact on increasing job listings and enhancing relations with employers. Secondly, the research was to serve as a tool for facilitating our organizational and program development activities.[5]

Research Issues

Unlike many Research and Demonstration Projects we were not testing theories or creating vastly new techniques or approaches. From the start we had a general model to apply in the experiment, and the suspected limited capabilities of most local offices would militate against developing a very complex model. Our main concern was with the capability of a typical local office to implement the kind of program we felt necessary to achieve an increase in job listings. Recently, Walter Williams has written, "The capability to implement programs is a legitimate and challenging research area, the importance of which, in terms of program operations, should make it a high-priority target for policy research."[6] Too often the problems of program implementation are wished away by planners at the federal level. Sophisticated and far reaching program guidelines are written and distributed to the local level with little idea of the local delivery system's capability to actually deliver. To a great degree our research and demonstration

activities have been concerned with the problems of program implementation, not just with developing new program models.

Williams has also noted the difficulties in evaluating our type of manpower project: "the operational specifications of treatment variables and the measurement of the individual contribution of these variables to project success....present methodological problems that strain present capabilities."[7] Our original research plans called for an analysis of variance design in which a small sample of employers would be used to ascertain the impact of a selected and very limited number of interventions. Early in the Project this design was discarded because it would tell us very little about the overall capabilities of the test city local office to implement the broad based program deemed necessary. Thus, a certain degree of precision in measuring results was foregone in order to achieve a more realistic, if less precise, understanding of the total impact of the Project on the local office and employer community.

Another research problem encountered was the dynamic setting of our experiment. The test city local office had to contend with all the dilemmas faced by most local offices, the pressures caused by changes in labor market conditions, and constant administrative changes. The Project had to evaluate the effectiveness of its Model in the context of this dynamic environment, where nothing was held constant. On this problem Suchman has noted, "Perhaps one of the easiest of research assignments is to lay out an 'ideal' evaluation study design. It is not so much the principles of research that make evaluation studies difficult, but rather the practical problems of adhering to these principles in the face of administrative considerations."[8] Our research was constantly

plagued by such matters and it obviously makes our findings more tenuous.

Although there are many other issues on which we could comment, we will do so on only one more--time. Most of the findings in this report are based on only nine months of actual field testing. As this report is in preparation, the Demonstration continues on and is already facing new problems, such as staff cuts in the local office. We will not be able to ascertain the impact of these cuts on the operations of the local office for several months. The Project will, in fact, not be in existence to make this longer run evaluation. Conceivably, these cuts will erase some of the modest successes we've realized.

Measuring Project Results

Employer Services activities are essential to the state Employment Service's capability for serving its clientele. The effects of an Employer Services program are often intangible, benefitting the agency in indirect ways. However, the Project's success in increasing job listings had to be measured objectively. The principal criteria used for this purpose were:

1. Job listings (quantity and quality)
2. Job placements
3. Employer attitudes toward the ES local office

Measuring changes in job listings was relatively simple. Measuring the changes directly resulting from Demonstration activities was very difficult for several reasons:

1. The influence of the unemployment rate on job listings is of some, but not major, importance.

2. The influence of the "mandatory listings order" on openings had to be considered.

3. The effect of installing the Job Bank program was also taken into consideration. The Job Bank was in operation for only a short time (6 to 8 weeks) prior to the commencement of Demonstration activities. This was not sufficient time to establish the effect of the Job Bank on job listings, prior to the Demonstration. To further complicate the situation, many of the Project activities involved marketing the Job Bank.

4. Finally, the very nature of the Demonstration contributes to the difficulty of measuring results. Many activities, such as staff reallocation and training, while essential to the achievement of the primary Project objectives, are related to the achievement of this objective only indirectly.

Bearing in mind the aforementioned complications, an attempt was made to measure the quantitative change in job listings. However, the change in job listings is not, in and of itself, a satisfactory measure of success.

Given the high rate of unemployment during the Demonstration and its effect on the local labor market, it would have been too narrow an approach to use job listings as the sole measure of Project results. Therefore, results also have been measured on an inferential basis. It is both logical and valid to assume that a positive change in employer attitudes toward the agency and its services would be reflected in greater readiness to use the Employment Service as the need arises. This ultimately should lead to increased job listings. For purposes of obtaining this data, a rather large, randomly-

stratified sample of employers in the test city was chosen (See Chart 1.2).

Experimental Design

Basically, we utilized a pre test post test design in which we examined the differences between pre and post test results. The need for a control group was obvious. Although there may be differences in such objective measures as job listings between pre and post test periods, it cannot be said with certainty that these differences were a result of the interventions brought about by the Project. The so-called main effects of history, the effects of maturation and a variety of other extraneous variables not related to the experimental manipulation, may have been responsible for the observed changes. Thus, for purposes of this aspect of the design, we selected another city that bears a reasonable resemblance to Grand Rapids. Some factors that were considered in the selection of this control city were:

1. Size of labor force
2. Unemployment rate for recent periods
3. Percent of non-agricultural employment
4. Percent of employment in manufacturing
5. Location relative to other large labor markets
6. Existence of a Job Bank

In the control city, a sample 28 employers were interviewed. The same hard data on job listings were also collected, but only twice--pre and post test. The discrepancies between pre test and post test results were calculated. The significant thing is not whether or not there were differences but whether or not there were significant differences between the differences in a comparison of the experimental group and the control group.

Chart 1.2

Grand Rapids Employer Sample By Size and Industrial Classification (N=182)

Industrial Classification / Size of Firm	24-25, 32-36, 37, 38, 39 Durable Goods Industries	20-23 26-31 Non-Durable Goods Industries	15-17 Construction	40-49 Transportation Communication Utilities	50 Wholesale Trade	52-59 Retail Trade	60-67 Finance, Real Estate Insurance	70-89 Service	93 Local Government
100 or Over	N1= 56 N2=29,714 n = 15	N1= 23 N2= 8,394 n = 7	N1= 5 N2= 729 n = 3	N1= 15 N2= 5,465 n = 3	N1= 7 N2= 2,022 n = 3	N1= 27 N2=14,739 n = 8	N1= 9 N2= 2,956 n = 2	N1= 37 N2=12,847 n = 11	N1= 3 N2= 4,138 n = 1
51-99	N1= 38 N2= 2,713 n = 10	N1= 19 N2= 1,367 n = 6	N1= 16 N2=1,085 n = 4	N1= 9 N2= 694 n = 2	N1= 21 N2= 1,430 n = 6	N1= 56 N2= 3,786 n = 8	N1= 8 N2= 523 n = 2	N1= 28 N2= 1,931 n = 7	N1= 2 N2= 148 n = 1
26-50	N1= 72 N2= 2,462 n = 11	N1= 27 N2= 940 n = 4	N1= 41 N2=1,415 n = 5	N1= 12 N2= 433 n = 1	N1= 51 N2= 1,866 n = 7	N1= 111 N2= 3,756 n = 8	N1= 8 N2= 291 n = 1	N1= 43 N2= 1,501 n = 6	N1= 2 N2= 70 n = 0
8-25	N1= 162 N2= 3,342 n = 7	N1= 81 N2= 1,025 n = 3	N1= 132 N2=1,742 n = 4	N1= 39 N2= 522 n = 2	N1= 173 N2= 2,463 n = 6	N1= 363 N2= 4,949 n = 5	N1= 53 N2= 748 n = 3	N1= 58 N2= 3,516 n = 10	N1= 3 N2= 62 n = 0

Note: N1 - Total number of organizations in this category in Greater Grand Rapids
N2 - Total employment in this category in Greater Grand Rapids
n - Actual sample from each category

Statistical Design

The pre test and post test data obtained from both employers and Employment Service staff were subjected to correlational analysis to determine the interrelationships between salient variables. In addition, the items contained in each of these instruments were subjected to factor analysis. The reasons for this were twofold: first, to provide a means of data reduction and parsimony of explanation, by discovering the dimensions (factors) which underlie the data; and secondly, because of reliability. It has been demonstrated empirically, by numerous authors, that single items are relatively unreliable. In contrast, composite scores based on the highest loading items on factors have been shown to be quite stable.

For both experimental and control groups, discrepancy scores between pre test and post test were obtained. For objective dependent variables, such as job listings, discrepancies were based on the total information available from the test and control cities. For other measures, such as changes in employer attitudes, the discrepancy scores were based on pre and post test measures of the respective samples. In the case of the attitudinal data, 't-tests' were utilized to determine the statistical significance of the differences in discrepancies between the experimental and control groups. The discrepancies in the hard data were calculated using a formula for measuring the significance of differences between proportions.

A further use of correlational analysis was used for the purposes of statistical attitudes toward an ES office and their use of the office. In a preliminary report,[9] it was found that an employer's attitudes toward the local office correlated with his propensity

to use its services. Thus, significant changes in these employer attitudes can lead to the inference that changes in the objective measures will occur when exogenous factors change.

Footnotes

1. Arnold F. Nemore and Garth L. Mangum, Reorienting the Federal-State Employment Service, National Manpower Policy Task Force, 1968, pp. 1-9.
2. For a detailed history of the causes behind the decline in placements, see Giblin and Levine, Employer Services Activities and Manpower Policy, U. S. DOL, Manpower Administration, Contract No. 82-26-71-41, pp. 6-32.
3. From Giblin & Levine, Op. Cit., pp. 47-52.
4. For a better understanding of the concept of the internal labor market and its relationship to the external labor market we recommend: Peter B. Doeringer and Michael J. Piore, Internal Labor Markets & Manpower Analysis (D.C. Heath and Company, Lexington, Mass., 1971), pp. 13-90.
5. Several preliminary reports having considerable operational value were: Giblin and Palmeri, The Relations Between Employers and a State Employment Service Branch Office; Giblin, The Attitudes of a State Employment Service Branch Office Staff Toward Their Jobs and the Changing Roles of the Agency; Levine, Key Employing Establishments for Job Openings Listings; Goldberg, Community Perspectives on a State Employment Service Branch Office; and Occupational Characteristics of Applicants Registering at the Grand Rapids Branch Office; all produced under U. S. DOL, Manpower Administration, Contract No. 82-26-71-41.
6. Walter Williams, Social Policy Research and Analysis (American Elsevier Publishing Company, Inc., N.Y., 1971), p. 16.
7. Ibid, p. 87.

8. Edward A. Suchman, Evaluative Research (Russell Sage Foundation, New York, 1967), p. 21.

9. Giblin and Palmeri, Op. Cit., pp. 49-52.

CHAPTER II

THE DEMONSTRATION EXPERIENCE

INITIAL PROJECT ACTIVITIES

The Project operations commenced with an in-depth study of the local office and its environment. In retrospect, probably too much time was allocated to studying the existing situation. However, at the time it was felt to be necessary in order to separate the myths about the Employment Service from the realities of the situation. For instance, were all employers negative about the local office? Did only low-wage, low-skilled workers come to the office? Was there considerable free time in office operations that could be redirected to employer services activities?

A series of preliminary reports[1] was prepared which did provide considerable insight into the aforementioned questions and many others. In brief, these reports were:

- Occupational Characteristics of Applicants Registering at the Grand Rapids Branch Office which generally indicated that the local office was receiving a representative cross section of non-professional and skilled local job applicants, approximately 40 percent of whom were not U.I. claimants. About 15 percent of the applicants were registered as HRD.
- Community Perspectives On A State Employment Service Branch Office in which a variety of groups were interviewed, including business and trade associations, voluntary groups, community agencies, etc. Most had little definitive knowledge of the Employment Service and were mildly negative toward it, but were interested in establishing better relations.

- The Relations Between Employers and a State Employment Service Branch Office was the major preliminary report, containing our pre test findings about relations and transactions with employers. The report was useful to the conduct of the Demonstration in that it provided a basis for testing a variety of techniques and approaches to the employer community. Subsequent chapters compare preliminary findings with post test results.
- The Attitudes of a State Employment Service Branch Office Staff Toward Their Jobs and the Changing Roles of the Agency was an attitudinal survey of the staffs in our test and control cities. For the test city office it provided important insights into staff assignments, intra-office communication, and reorganizational structure which influenced the creation of units concerned with employer services. The preliminary findings are compared with post test results in Chapter VI.
- An Experimental Employer Relations Unit represented an organizational analysis of the local office and initial plans for developing an Employer Services Unit.
- Key Employing Establishments for Job Openings Listings depicted a multivariate model for selecting employers to contact (See Chapter III Volume I and also Volume II).

These extensive studies and developmental reports together with introductory and exploratory activities involving the local office staff, the local government, and the community, required approximately five months to complete. Another month of start-up time was then required for planning, organizing, and training based upon the experience and knowledge acquired in the preceding period. The

actual operations of the Employer Services Unit did not fully get underway until the beginning of the seventh month of the Project. From that time until the data was collected for this final report, approximately nine months of testing occurred--from February 1, 1972 through the end of September 1972. The Employer Services Program continued in operation as this report was being prepared.

The plan carefully avoided the implementation of the entire Model on the first day of Demonstration. Otherwise the local office would have been overwhelmed. A critical element in the introductory phase calls for the identification of the several components of the Model which require implementing from the start and for those which are to be added in a continuing and orderly sequence. This unfolding and evolutionary process accounted for approximately the first five months of the Demonstration. At the end of that period the Test Model of an Employer Services Program was fully operational.

The flexible character of the process continued even with operationalization of the Test Model. The various components of the Model then underwent constant revision, a process which is still going on in the Project. The adjustments to the Model were made in response to continuing feedback from a variety of sources, including the Employer Services Unit, the Employer Advisory Committee, the Intra-State Advisory Committe, and local office staff.

APPROACH TO IMPLEMENTING THE MODEL

It was determined from the beginning that a multi-faceted approach was required to successfully implement the Demonstration. Such an approach required the participation of a variety of staff at both the local and state office level.

Among the activities and considerations involved in implementing the Demonstration were the following:

1. The Project as catalyst within the local office
2. The Intra-State Advisory Committee
3. The translation of research findings into Project planning
4. The creation of an Employer Services Unit
5. The training of the Unit and other local office staff
6. The development of a Demonstration Plan of Action
7. The creation of an Employer Advisory Committee

Each of these was important to a successful Demonstration experience, but was not independent of the others.

The Project As Catalyst

The Project was jointly composed of MESC and ABR staff. It was agreed that ABR was responsible for providing direction for the Research and Demonstration activities, although these activities would be performed in the realistic setting of established local office operations and relationships. The Project and local office worked together in relative harmony. Such disagreements as occurred tended to be over differences in goal perception, with the Project having much more ambitious, and perhaps unrealistic, goals for the Demonstration.

It is reasonable to say that the Project successfully carried out the role of a catalyst in the local office. The Project's strengths were in its freedom from restricting ties which might have inhibited action and its operational knowledge and ability to develop sound directions for the Demonstration. In the early stages of the experience, it provided considerable training and

technical assistance to the Employer Services Unit and local office. However, as time went by, it did not continue to provide adequate assistance to the local office. It was much less successful in its support/resource role than in its conceptual and developmental role.

The major reason for the Project's failure to provide a continuing drive for the Demonstration appears to have been its overly ambitious plans for the Demonstration. The slowness of change in the local office often frustrated Project staff. Rather than engender hostile relations with local office staff, it usually withdrew from test operations to the research and development aspects of the Demonstration. From the local office's point of view, the Project often represented a demanding, and sometimes unreasonable, force, interfering in its already hectic day-to-day existence. The Project's periodic withdrawals from the operation of the local office appear to have been a necessary safety valve for maintaining a viable, if not totally effective, relationship.

The above discussion of the Project's role as catalyst was written by Project staff who have tried to be objective in assessing their own strengths and weaknesses. However, in trying to be objective we may have overstated the negatives. The Director of MESC's Manpower Division (Employment Service) and the Deputy Director of MESC have told one of the authors that they consider their relationship with the Project and, in particular, the subcontractor (ABR) to be the best they've ever had with a consulting firm. They were especially pleased that the Project didn't merely make criticisms of MESC and recommendations for change, but went beyond this in assisting the local office in the day-to-day implementation of these changes.

The Intra-State Advisory Committee

Early in the Project, an Intra-State Advisory Committee was formed. The Committee was composed of experienced MESC staff from all over the State, representing different levels and degrees of involvement in the employer services area. The purposes behind establishing the Committee were to gain state-wide interest and involvement in the Project's activities, to utilize the extensive skills of experienced agency personnel, and to help convince local office staff of the legitimacy of Project goals.

In the early stages of the Project, the Committee played an active and valuable role. The local office manager and Employment Services Supervisor were involved in most of the early meetings. At this stage the Committee met almost monthly. The Committee helped the Project staff to develop guidelines and directions for the Demonstration. During this early period the Committee appeared to have accomplished all of the purposes for which it had been organized.

Once the Demonstration was in full swing there were fewer meetings with this Committee. There appear to be several reasons for this decline in activity. First, in all actuality, once the Demonstration was fully underway there was less real need for the Committee. In other words an advisory committee, not a part of the local scene, may contribute significantly to planning and development stages, but not to operations. Secondly, many members of the Committee were unusually busy due to numerous changes in operations both immediate and projected. The planning and implementation of WIN II is an especially good example of this kind of diversion. By the last six months of the Demonstration, the Committee played almost no role in Project activities.

The Use of Research Findings For Project Planning

The Project relied on recognized professional authority in bringing about organizational change.[2] The essence of this approach is to use survey findings on employee and client attitudes as feedback for persons in the organization. Experts outside the organization assist the organization members to learn to use this feedback to guide them in making necessary organizational changes.

Following this general approach, the Project held a two-day meeting with the Intra-State Advisory Committee and all supervisory staff in the local office. The purpose was to use the research findings as a guideline to developing a Plan of Action for the Demonstration. This approach proved less than successful. In fact, the assumption that the agency's staff could objectively and dispassionately in the course of a few sessions translate research findings to achieve organizational and behavioral change proved unfounded. MESC staff was unable to accept the negative findings and outright denial was made of their statistical validity. The sessions were often very emotional. Undoubtedly, as is true with most state Employment Service staffs, MESC staff had been satiated with complaints about its agency and understandably had little tolerance for more of the same.

However, an even more serious problem surfaced which continued to frustrate attempts at change throughout the existence of the Project. This problem is the lack of control which state agencies have over their program operations. Decisions made at the federal level and translated into policy and program guidelines leave very little room for innovation. An example reflecting this experience may help to clarify this point. The employers surveyed showed little interest or enthusiasm for special programs. Employers made it

eminently clear they were interested in a quality-oriented placement service. However, given existing programs, the local office was not able to redirect scarce staff time away from OJT or NAB activities; albeit, most MESC personnel involved were in agreement that neither of these programs resulted in a positive impact on the employer community for MESC.

The meeting finally took the approach of designing the Demonstration according to what was deemed feasible given existing constraints, as opposed to what was optimally obtainable if the existing parameters of the situation were changed. Such accomodations permitted change in a limited fashion and continued to characterize the Project for the balance of the Demonstration.

The Creation of an Employer Services Unit

The organizational study of the local office indicated a need to organize a formal Employer Services Unit. Responsibility for visiting employers was scattered in the local office among several persons with little or no provision for coordinated or unified direction:

- A Contract Service Representative
- Two Veterans' Representatives
- An Employer Services Representative*
- Two WIN job developers
- A staff person assigned to the local NAB-JOBS office

These persons operated independently of one another. There was no common supervisor, formal coordination of activities, or common goals for servicing employers. On a day-to-day basis, only two of

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* In MESC, this position was referred to as a Personnel Methods Technician.

these persons had what amounted to a full time responsibility for contacting employers. To put this staffing picture in proper perspective, the local office served an area having approximately 2,200 employers with eight or more employees and several thousand with fewer than eight employees.

Within the limits of existing local office staff, an Employer Services Unit was formed. The Contract Service Representative, the most experienced person available, was made acting supervisor. The initial Unit staffing follows:

- 1 Working Supervisor (full-time)
- 1 Employer Services Representative (full-time)
- 1 Veterans' Representative (full time)
- 1 Veterans' Representative (25% of time)
- 1 WIN Job Developer (50% of time)
- 1 WIN Job Developer (25% of time)
- 1 Employer Information and Coordination Clerk (full-time)

In view of the heavy work load and staff limitations in the office, it was concluded that it was not reasonable to redirect time from other operating units to Employer Services. Also, and contrary to the Project's recommendations, the NAB-JOB staff person was not made a part of the Unit. However, this person did agree to coordinate his employer visiting with the Unit.

The Unit operated with this staffing for approximately four months. At that time, it became evident that the part-time persons were not contributing to the Unit proportionately as much as the full-time members. This situation resulted primarily from the job demands upon their time made by the units to which they were assigned. During the Demonstration there was a major emphasis on servicing veterans and, as mentioned earlier, the transition to

WIN-II. As a result, the decision was made to limit the Unit to the full-time members:

- 1 Working Supervisor
- 1 Employer Services Representative
- 1 Veterans' Representative
- 1 Employer Information and Coordination Clerk

The Veterans' Representative and WIN Job Developers continued making very limited employer contacts. These contacts were closely coordinated with the Employer Services Unit to assure that needless duplication would not occur. Also, the Employer Information and Coordination Clerk furnished these persons with job development information (see Chapter III for a description of this kind of information).

The Unit has continued operating with this staffing. It has proven adequate for maintaining relations with good customers and for extending relations with a very limited number of new customers. It has, however, placed limitations on the degree of market penetration attainable and also severaly limited the kinds of services provided to employers.

Training Local Office Staff

At the beginning of the Demonstration, the Project provided training to the newly-created Employer Services Unit and to the entire staff of the local office. The organizational study of the local office and the attitudinal survey of staff served as the basis for developing curriculum. Two basic training needs were identified: one, skill training in Employer Services procedures and techniques for the mostly inexperienced members of the newly-created Unit; and two, organizational development training for the entire staff,

aimed at achieving a more cooperative environment and a more effective delivery of services.

The Employer Services Unit staff received approximately seven days of training in one-and two-day segments. Some of the more vital subjects covered were:

1. The need for re-vitalizing Employer Services
2. The goal-setting process
3. The role of Employer Services in an interdependent local office
4. Applicant intake, selection and referral processes
5. The benefits and operations of Job Bank
6. The role of the Employer Services Representative in achieving cooperation and coordination of employer-oriented activities
7. The "how to" of planning for and contacting employers
8. The provision of selected manpower services to employers
9. The collection and use of local labor market information for the delivery of manpower services
10. An overview of employer technical services

Every staff member in the local office received several hours of training. Key subjects included:

1. The role of the local office in the "new" Employment Service
2. The need for re-vitalizing Employer Services
3. The role of all local office staff in delivering Employer Services
4. Achieving cooperation and coordination in the highly interdependent local office
5. Setting goals and managing one's time

The Development of a Demonstration Plan of Action

It was felt from the beginning that if the Employer Services Program was to be truly revitalized it must operate on a sound management philosophy. This early position was further strengthened by the research findings which indicated the difficulty of the task facing the Employer Services Unit. Also, the limited staffing of the Unit necessitated that it optimize the use of its personnel.

It was decided to use a simplified management-by-objectives approach as the basic building block for developing both the Employer Services Program and the Unit staff. Management-by-objectives is a philosophy of management as well as a technical approach. The essence of the approach is in the joint setting of goals by superior and subordinate and the use of these goals to measure and improve individual and group performance.[3] The Project, in concert with the Intra-State Advisory Committee and local office supervisors, developed an initial six-month Demonstration Plan of Action. This Plan of Action was cast in the format of a management-by-objectives program. A second six-month Plan of Action was developed by the Unit and the Project when the first Plan had been successfully completed.

The process of setting objectives is discussed in some detail in Volume II. Essentially, in the Demonstration, the process involved the following steps:

1. The Project staff, Employer Services Supervisor, and Intra-State Committee jointly set out the broad objectives for the Employer Services Program.
2. The Project and Employer Services staff then laid out the short-term goals necessary to accomplishing the longer run objectives.

3. The Employer Services Supervisor then met individually with the Unit staff to divide the responsibility for the Unit's goals. Adjustments were made as deemed necessary.
4. Periodic evaluations were held to review the Unit's progress in accomplishing its goals. Likewise, the Supervisor periodically met with each staff member to discuss his progress in meeting his share of the Unit's goals.

The use of this limited management-by-objectives approach had both advantages and disadvantages. On the positive side it helped provide clarity of purpose, direction for a "new" and complex activity and development of the managerial skills of the Unit staff. On the negative side, it was a somewhat labored and time consuming process. Also, using this approach to evaluate staff performance was very artificial, as promotions are heavily based on civil service test scores and are not especially dependent on supervisory evaluations of task performance.

The Creation of an Employer Advisory Committee

The final step in the approach to implementing the Model was the creation of an Employer Advisory Committee for the local office. The activity became an on-going component of our Employer Services Model. It was the final step in the approach because it was deemed necessary to organize the Employer Services Unit and outlines of a program before bringing employers into the picture. The intent was to create a favorable impression on the Advisory Committee and engender a good climate. Too many employers have mental images of government agencies being disorganized with little or no direction. We wanted to avoid any chance of this image's being reinforced when the local office staff and employers came together.

We'll briefly discuss several important steps taken in the creation of the Committee: the role and purpose of the Committee was clearly specified; the selection of members was carefully planned; an initial program of meetings was established; the selected employers were contacted to gain their participation. Each of these steps will be discussed in turn. The Project and local office staff jointly determined the role and purposes of the Committee. It was decided that the Committee would serve in an advisory capacity only and would not be given decision making power over local office operations. This limitation on the Committee's role was deemed necessary as employers represent particular interests which are valid, but not always consonant with the interests of various applicant groups. It was determined that to protect the interests of all concerned, the local office (and state agency) must have the final say over all changes.

The purpose of the Committee were tightly specified: one, to provide local office operations staff with first hand information on the problems employers have with the services being provided to them; two, to provide insights into new and/or expanded areas of service that the local office could provide to local employers; three, to assist the office in enhancing its image with the employer community and increasing its transactions; and four, to assist local office staff by making recommendations for improving the delivery of services to applicants and employers.

In selecting employers to be represented on the committee, several factors were taken into consideration. First, as the purposes of the Committee dealt with operational issues, it was decided to try to get the top personnel person in the local firm, or local plant or office of a larger organization. Different

Committee purposes may have dictated the need for higher level management in the local firm or the branch plant.

In selecting the firms to be represented, three criteria were used: one, industrial classification; two, size of firm or local plant by employment; and three, the firm or plant's present relationship with the local office. As the Committee was to be limited to 10 members, so that it would not become unwieldly, it was recognized that it would not be possible to represent each industrial grouping and certainly not by different subcategories of size and relations to the local office. At best, a rough representation of local employers could be obtained.

As the local labor market was very diversified, a diversity of industry was chosen from heavy manufacturing to the service areas. Likewise, large, medium, and small firms were selected. It was decided not to limit the Committee to firms having good relations with the local office. Several of the firms finally chosen made only limited use of the local office services. In all, ten top personnel people were chosen from firms that incorporated most of our selection criteria. In addition, the Director of the local Chamber of Commerce was asked to be a member and he accepted.

Each person selected was asked to participate in person. Upon acceptance, each of these persons was given materials outlining the role and purpose of the Committee. Also, an outline of the topics and desired outcomes of the initial five meetings was made available to each Committee member. The progression of the meeting would be: a presentation on the capabilities and problems of the local office; a listing of employer problems with the office and needs for source; and, several problem solving sessions to work out the stated problems.

The initial sessions followed the suggested format and were quite successful. Numerous suggestions for improving operations and services were made. Some were followed up by the local office and others which involved changes in agency policy were presented to the top management of MESC. At least half of the recommendations were implemented by the time of the writing of this report and others are still being worked out. At the end of the fifth session, the Committee was unanimous in its desire to remain a permanent advisory body to the local office. It is presently operating in this capacity.

IMPEDIMENTS TO CHANGE DURING THE EXPERIMENT

This section briefly explores internal operating problems, the barriers the Project faced in attempting to rejuvenate Employer Services and increase job listings. It does not deal with the impact of the Demonstration Model on employers which will be dealt with in subsequent chapters. To put this subject in a broader perspective than just our test city experiences, we will begin by discussing two somewhat theoretical, but nonetheless real, dilemmas that influenced the Demonstration.

The Nature of Institutional Change

As alluded to in Chapter I, one of the constraints placed upon the experiment was the narrowness of our own Demonstration design. Specifically, our approach to improving job listings with employers concentrated too heavily on the employer services function. What was really needed was a broader design which would have devoted considerable effort to the entire applicant services area, Job Bank, and the overall management of the local office.

Several writers[4] in the general area of human and organizational development have come to emphasize the need for a holistic approach to social or institutional change. It is becoming accepted theory and practice that one cannot achieve organizational effectiveness—increasing job listings and placements in our experiment--by changing a part of the organization or an aspect of the organization's overall functions. If change is to occur it must be along a wider front, encompassing most, if not all, organizational variables. In terms of the experiment it would necessitate changing the structure and functioning of virtually the entire local office. In fact, change would have had to extend beyond the local office level to the district and state office level.

"Gresham's Law of Planning"

In the professional literature dealing with organizations, a tendency in bureaucracies has been identified, which is referred to as a "Gresham's Law of Planning".[5] This "law" states that in large formalized organizations, programmed activity tends to drive out unprogrammed activity. The public Employment Service's attempts to revitalize Employer Services Programs suffer to a considerable degree because of the impact of this hypothetical "law". Employer Services Activities are not highly programmed as contrasted with applicant registration, reporting requirements, etc. Thus, the "good" activities--those which can result in a big payoff for the agency--are driven out by the "cheap" activities--highly programmed but with no payoff. For example, the registering of U.I. claimants who are to return to their employer shortly, represents a highly programmed activity unlike establishing a local Employer Advisory Committee or making employer contacts. Completing ESARS reports tends to drive out the development and maintenance of a job

development information system or the maintenance of an employer information system. Faced with a high unemployment rate and heavy applicant loads, it was often difficult to establish new and innovative practices for improving the quantity and quality of job listings.

The Inadequacy of the Local Office's Human Assets

The implementation of any new program or the maintenance of on-going programs ultimately depends on the institution's human assets. Contrary to the conventional wisdom, the success or failure of Job Bank depends on staff, not on IBM 360s. The same held true for the outcome of our Demonstration--it depended on the human assets of the local office.

An organization's human assets are defined as the value of the productive capacity of an institution's human organization and the value of its customer goodwill.[6] The value of the local office's productive capacity was very low. A decade of confusing and often contradictory program and policy direction had had its impact on the spirit of the office. The price paid over these years for adapting to the "new directions" had been a substantial liquidation of the human assets[7] of this (and undoubtedly many other local offices throughout the country.) The results of this liquidation were manifested by an absence of motivation, poor intra-office cooperation, little sense of direction, and almost no feeling of control over one's activities.

Turning to the other component of the local office's human assets, its customer goodwill, the situation at the start of the experiment was not overly encouraging. Generally, employers tended

to be indifferent to the test city local office.* An informal assessment of the situation indicated that the office did not have really effective relations with more than about ten employers. Really effective relations is interpreted to mean relations that result in the employer's placing a large percentage of all his openings with the local office and his continued use of the office despite occasional bad referrals. The situation in the control city in this regard was only slightly better.

The quality of local office human assets is one factor to consider; the quantity is another. As mentioned earlier, the Employer Services Unit and local office in the test city were relatively understaffed to handle existing employers and the labor force. In Chapter IV, some comparisons are made with the control city which tend only to dramatize the staff shortages in the test city. In October, the situation further deteriorated as a result of cuts in MESC's budget. At the writing of this report, it is too early to assess the full impact of these budget cuts on the office's productive capacity. However, it seems reasonable to assume the impact will be negative.

Thus, at the start of the Demonstration, and to a gradually decreasing degree thereafter, the process of change was impeded by what properly may be called an inadequacy of human assets. Under these circumstances, the introduction of capital or technical assets, such as Job Bank, is not likely to improve the situation. In fact, the introduction of Job Bank into our test city had a generally negative impact on the operation for at least

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* The pre test attitudinal measures and the post test results can be found in subsequent chapters.

the first few months. Likewise, given this situation, the introduction of Project designed changes often had negative side effects and were never optimally successful in day-to-day practice.

The Capability of the Test City's Delivery System

At the beginning, the Project's objective of increasing job listings seemed reasonably straightforward. However, as the Demonstration progressed, it became evident that there was an upper limit to this objective. The local office's Employer Services operation was representative of a Stage II program, i.e. ineffective support of placement operations. As the Employer Services Unit began to move toward the improved Stage III level of operation, it became apparent that the local office, and especially the placement operation, could not fully back it up. In fairness to the local office, the openings there were increasing at a far greater rate than experienced nationally or in Michigan. Local office staff's initial enthusiasm for the Project and Job Bank began to wane as the daily pressures caused by these changes increased. Also, no additional resources were made available to help cope with the added volume of openings.

The Employer Services Unit's role was to increase openings, improve the quality of openings, and try to keep openings in approximate relation to the occupational characteristics of the applicants in the active file. To a fair degree this was accomplished. However, there was nothing in all of this activity to insure that these job openings would be properly serviced. In other words, would the placement-Job Bank operation assure that qualified applicants were promptly referred? Would the open orders be promptly followed up to inform the employer if there were applicants in the file to meet his needs? Each of these questions is crucial. Obtaining job

openings from an employer is not a service and should not become an end in itself. Filling these openings results in the delivery of services to both employers and applicants.

The answer to most of these questions was a qualified "no." The Placement Unit was inadequately staffed, faced with heavy applicant loads and hampered by staff inexperiences. As a result, very little file search took place and service on many open orders was less than prompt. The Central Control Unit in Job Bank was also understaffed and was incapable of adequately verifying the status of open orders. Only orders in a "referred status", i.e. all requested referrals made, were being verified by telephone within a week of the original order date. Certain efforts of the Project and the local office to improve verification eventually mitigated this problem. However, the weaknesses in the placement operation persisted for the balance of the Project.

During the latter part of April, it became obvious to the Project and Employer Services Unit that the new upswing in openings was not resulting in a proportionate, or even nearly proportionate, increase in placements. It was jointly decided that the Employer Services Unit would cut back on employer contacts and services and devote most of its time in May to following up aged orders including extensive file searching. The result of this change in priority is illustrated by Table 4.7, p. 117. Placements improved in May and June but the upswing in openings fell off. Future attempts at using the Employer Services Unit for direct support of placements were deemed inappropriate to the goals of the experiment. Over the next months, openings continued to increase at a high rate, but the proportionate change in placements again lagged behind.

THE REALITIES OF SETTING GOALS FOR OPENINGS AND PLACEMENTS

The Project experience dramatizes the difficulties of setting goals for openings and placements. Responsible officials at the federal, regional, and state levels are often guilty of using business analogies in discussing the need to increase openings and placements, e.g. referring to increasing placements as "increasing sales." While such analogies are probably not harmful in day-to-day discourse, they do have the potential to be very misleading. For the public Employment Service is not a profit-making, free enterprise and does not operate in the same decision making environment. Perhaps, some examples will serve to clarify what should be an obvious point, but apparently isn't.

If a private firm sets itself a goal of increasing its sales volume by 100 percent, it can expect some increase in its operating revenues. Some share of this increase in revenues will be utilized to produce or service the additional sales, e.g. production workers will be added, the physical plant increased, etc. The increased sales volume will lead to an increase in the size of the firm, assuming of course the firm had been operating at an economically viable level, somewhere near normal operating time capacity.

What if the Employer Services Unit doubles the volume of openings over a short time period? Will a larger office be necessary? What about staff increases? Surely all the additional work resulting from the increase in volume cannot be taken up by existing slack, even with labor-saving devices such as a Job Information Service. In fact, to review the existing situation, while openings and placements are increasing staff is being reduced in most states. While it is true that workload experience is used

in budget allocations to state agencies and offices within states, these projections are not responsive to short run changes in operating needs at the local level. Also, there appears to be less than a perfect correlation between increases in workload and increases in budget. Thus, it is obvious that the public Employment Service cannot adopt the private enterprise growth pattern; most "sales" do not lead to more resources for delivering the necessary services.

The above discussion tends to focus on the organization as a whole and not on the individual. What incentive does the individual staff person have for engendering a larger volume of business and assuring that it is serviced? Obviously, there is little financial incentive. The public Employment Service cannot pay bonuses to employees for increasing openings or for serving this larger volume of business. Whatever incentive exists, and to a surprising degree it does exist, must be normatively based. Many persons at the local level do take great pride in the job the office performs for the community. However, the constant change in the direction and goals of the Employment Service leaves many confused over just what represents good performance. After all, just a few years ago they were discouraged from making volume placements of qualified applicants. They are now encouraged to do so with little rationale given for the change. Such confusion, engendered at the federal level, reduces the potential impact of the non-financial rewards of the job.

These arguments carry over to all areas of activity. It was obvious from the first months of our Project that a doubling of contact staff, given our marketing analysis and approach, would lead to a vast increase in job openings. From where was this staff

to come? And what of additional in-take staff, interviewers, Central Control Unit verifiers, and order-takers? From where would staff necessary to serve this potentially large new volume come? The answer was obvious--it would not be forthcoming.

A perfect example of this dilemma presented itself in the designing of the Plan of Action for selecting and contacting employers. It was apparent from previous local office experience and our survey findings that the most expedient method of achieving a large increase in job listings was to establish exclusive hiring arrangements with several large firms. Under such an arrangement the employer sends almost all job applicants to the local office for screening and referral. First hand information indicated that several employers would be willing to enter into this kind of arrangement. A decision was made not to pursue these exclusive hiring arrangements with other firms. The fact is that while such arrangements would have positively contributed to the objectives of the Project, they would have overwhelmed the delivery capability of the local office. In the long run, the failure to adequately deliver under these arrangements only would have resulted in poorer employer relations and transactions.

In making this decision, the Project and local office had to consider several factors, for which no formal guidelines appear to exist. For instance, intensively serving two or three large employers could result in a large volume of placements at a relatively low unit cost. However, such an approach would leave little or no time for serving the thousands of remaining employers in the test city. Should a local office concentrate on high volumes of openings and placements, or should it be prepared to service large numbers of employers less intensively at higher unit costs? In

the Demonstration we chose the latter approach, but a strong case could be made for the former.

The federal answer to all of these questions is usually "redirect staff," but without reducing efforts in any other area of activity. One could hardly argue that the public Employment Service operates at maximum efficiency and cannot improve its productivity. The potential for increasing the overall quantity and quality of production must be immense. But it will require more than field memos from the federal level to do so. Nothing less than a major organizational development program is required. Such a program would require considerable financing, extensive and intensive technical assistance and no less than four to five years to accomplish on a national basis. To all but the pathologically romantic who continue simply to insist on "redirecting staff," there can be no expedient and simple solution to the existing situation. Attempts at using "technological solutions," e.g. Job Bank, JIS, etc., while deeply engrained in American culture, so far have proven to be of little benefit.[8] The problem does not call for technological innovation alone, but also innovation in the allocation and utilization of the system's human resources.

Footnotes

1. All of these reports were prepared under U. S. Department of Labor Manpower Administration, Office of Research and Demonstration, Contract No. 82-26-71-41.
2. F. C. Mann, "Studying and Creating Change: A Means to Understanding Social Organization" in Research In Industrial Human Relations, Madison, Wis., Industrial Relations Research Association, 1957. Also, F. C. Mann and F. W. Neff, Managing Major Change in Organizations; Ann Arbor, Michigan, Foundation for Research and Human Behavior, 1961.
3. For a more detailed description of management-by-objectives see, Peter F. Drucker, The Practice of Management, Harper & Row, New York, 1954, pp. 121-36.
4. A. H. Maslow, Eupsychian Management, Richard Irwin, Inc. and The Dorsey Press, Homewood, Ill., 1965, pp. 247-260. Also, Rensis Likert, The Human Organization, McGraw-Hill Book Co., New York, 1967, pp. 116-127.
5. J. G. March and H. A. Simon, Organizations, John Wiley and Sons, Inc., New York, 1958, pp. 184-85.
6. Likert, Op. Cit., p. 148.
7. Ibid, pp. 151-52.
8. Recent evaluations and studies of Job Banks tend to show the limitations of "technical solutions" to the problems of the public Employment Service. An Evaluation of Results and Effectiveness of Job Bank, Ultrasystems, Incorporated, prepared under Manpower Administration Contract Number 83-06-72-01, March, 1972. Evaluation of the Comprehensive Model for

Local Office Reorganization (COMO), Abt. Associates, prepared under Manpower Administration Contract Number, Mass-6777, July 1971., George P. Huber and Joseph C. Ullman, A Study of a Study of Job Banks, Manpower Administration, unpublished, 1972.

CHAPTER III

THE EMPLOYER SERVICES DEMONSTRATION MODEL

OBJECTIVE: A STAGE III EMPLOYER SERVICES PROGRAM

The purpose of this chapter is to describe briefly the Employer Services Program components (the Model) tested in Grand Rapids and, thus, assist the reader in understanding what took place during the Demonstration. It is not the purpose of this chapter to proselytize our Model, as the ideal Employer Services Program. The reader will have to make his or her own decision on which, if any, aspects of the Model to incorporate into his operations. Chapters IV and V, which summarize the impact of the Model on openings, placements, and employer relations, should assist the reader in making an objective decision.

As Volume II of this final report contains detailed descriptions of most major components of the Demonstration Model, in this chapter we will only present the components in summary form and allude briefly to the Demonstration experience with the component and the successes and failures encountered in implementing them.

An objective evaluation of any Employer Services Program requires that it be viewed in the context of the goals it attempts to accomplish. The purpose of the Demonstration Model was to increase the quantity and quality of jobs listed with the local office. As increasing placements is the only reason for increasing job listings, the Employer Services Model placed great emphasis on providing support to the placement operation. The Model did not purport to deal with providing extensive and sophisticated manpower services to employers, such as a job restructuring analysis. From these objectives we derived our listing of priorities:

1. Resolving employer complaints and handling requests for assistance
2. Reviewing open orders to assist Placement in working with the employers to fill these orders
3. Making planned visits to solicit job openings and build relations with present and potential customers
4. Making planned visits specifically to offer employer services, such as guidance on mandatory listings, developing OJT contracts, etc.
5. Organizing employer information for the use of interviewers, WIN Job Developers, etc. in performing individual job development

In this chapter five aspects of an Employer Services Program are discussed: the management of employer services; employer relations; employer services; employer information; and community relations. There is nothing sacred about our choice of five components. Certainly, the Demonstration Model could be subdivided into more or fewer components. Our decision to depict the Model as consisting of five distinct components is somewhat arbitrary. As the reader reviews the Model he or she may want to consider how he would subdivide the Model for use in his operation.

THE COMPONENTS OF THE EMPLOYER SERVICES DEMONSTRATION MODEL (STAGE III)

Management of Employer Services

We have made the management of Employer Services a separate component of the Model in order to stress the importance of properly managing this, or any, Employment Service function. There are three foundations to this management activity: a management-by-

objectives approach, on-going training of Employer Services and other office staff, and Employer Services staff as internal consultants. The first two issues are covered elsewhere in this report and here will receive only a cursory review.

Management-by-Objectives. The Employer Services Unit operated on an elementary management-by-objectives approach. This approach and its results were also discussed in the previous chapter. Objectives and goals for the Employer Services program are developed for six-month periods. These objectives and goals are developed so as to be consonant with the local office's Plan of Service. Each member of the Unit, in cooperation with the Supervisor, then develops goals that contribute to the accomplishment of the Unit's goals and objectives. These objectives and goals and the steps required to realize each of them, represent the Unit's Plan of Action, or Plan of Service. The Supervisor uses this Plan of Action to evaluate the progress of the Unit as well as individual members of the Unit. This approach provides the Supervisor with an instrument for controlling the Unit and assures accountability both for the Unit and the individuals comprising it. As mentioned in Chapter II, the use of management-by-objectives helped provide direction and a medium of control for the Employer Services function. However, it was time consuming and somewhat artificial in its attempts to hold staff accountable for its performance.

On-going Staff Training. This component is essential for helping Employer Services staff keep up with the ever increasing and changing body of knowledge and technique in the manpower field. The Model employed two kinds of training: technical, or content oriented training and, organizational development, or process

oriented training. As this subject, discussed in the previous chapter, is treated in considerable detail in Volume II, we will not go into it any further in this section.

Using Employer Services Staff As Internal Consultants. By its very nature, the Employer Services Program is interrelated with and interdependent upon just about every other operation in the local office. For example, even the switchboard operation in a local office has a great impact on employer services and relations. An overly busy switchboard or a curt operator can deal a crushing blow to relations and transactions with employers.

As the Employer Services Unit was the primary bridge to the local office's customers, this Unit gathered information on employer needs and problems, analyzed this information in terms of the operations of the local office, and made recommendations to office supervisors on how to improve the delivery and quality of services. In our Demonstration experience, this internal consulting role became as important as the external sales and service role. Overall, the Employer Services Unit probably averaged 40 percent of its time on internal problems which were adversely affecting relations with employers and applicants.

The Project had great expectations concerning the value of this role to local office operations. Our Demonstration experience indicated the role is a necessary one, at least in the test city local office. However, the experiment with this role was only partially successful. The Employer Services Supervisor and most members of the Unit vigorously carried out the internal consultant function and, to some degree, their activity led to minor operational improvements. The reason this activity was only

partially successful was the lack of management support and also a general lack of cooperation from other staff in the local office. This probably was partially due to the newness of the Employer Services Unit. Also, it was unusual in this local office for one unit to exert influence and even pressure on other units. Prior to the Demonstration, each unit within the office had tended pretty much to go its own way.

Employer Relations

The use of the term "employer relations" in this Model denotes the range of activities basic to bettering relations, and thus, increasing job listings with the employer community. We refer to this component of the Model as "employer relations" because merely getting an employer to place a job order is not a service to the employer. It becomes a service when a successful placement(s) is consummated. The emphasis on employer relations is to promote the placement service of the local office.

Employer relations has five sub-components: an Employer Contact plan of action; a multifaceted approach to contacts; employer and public relations; coordination of employer contacts; and, an employer advisory committee.

Employer Contact Plan of Action. An Employer Contact Plan of Action is developed for six to 12 months at a time. This Plan of Action lists all planned contacts for the purpose of soliciting job openings, OJT contracts, and/or providing selected services. In addition to planned contacts, employers may receive contacts to resolve placement oriented problems (identified by the Employer Services Unit in cooperation with the Placement Unit, or by itself).

The Plan is divided into nine categories according to size of firm and the quality of the firm's existing relations with the local office.

A. Existing Relations with Local Office

1. Uses service selectively
2. Used service, but has stopped, or uses it infrequently
3. Never used service

B. Firm Size

1. 300 employees or more
2. 100-299
3. 50-99

For each category the Plan depicts:

- The number of visits to be made to employers
- The number of visits to be made by employers
- The number of indirect contacts to be made to employers, i.e., contacts made by a person outside the local office, such as a member of the Employer Advisory Committee, etc.
- The number of PTC's to be made
- The brochures to be sent
- Other specific mailings to be sent

The Employer Services Unit successfully utilized the Contact Plan of Action throughout the Demonstration. Several hundred employers were eventually included in the Plan. It required little time to either implement or maintain. It can be an invaluable, as well as simple, tool for assuring that the Employer Services Unit is not neglecting any of its "key" employers.

Approach to Contacts. A multifaceted approach to employer contacts was implemented. Employers were divided into categories

by employment size and existing relations with the local office in the Contact Plan of Action. A separate strategy was used for each grouping of employers, relying on several modes of employer contacts, such as personal visits; promotional phone calls; brochures; radio and television announcements; etc.

In brief, for employers with good relations, the strategy was to strengthen these relations. Personal visits to these employers were designed to assure that the employers were satisfied with existing services. Efforts were made with these employers to obtain a larger share of their higher-skilled and managerial job orders. The key to dealing with these employers was quality control--maintaining prompt and effective placement services. In the short run, this strategy appeared to secure relations with these good customers, but did not usually result in their placing orders for the higher skilled or managerial level workers. In the long run, a continuance of this strategy might upgrade the quality of job openings these employers list with the local office. However, many internal labor market considerations, such as union-management agreements on promotions, will always limit the local office's ability to obtain many kinds of better job openings. It should also be noted that this time consuming strategy of visiting was rather costly, as opposed to specific mailings and promotional telephone calls. However, it did pay-off in an immediate increase in job listings.

The strategy for reaching employers who had stopped using or only occasionally used the office stressed a series of personal visits (where there was a potential for multiple job listings). The theme of these visits was to identify the employers' sources

of dissatisfaction with the local office and to try to resolve these difficulties.

Employers in this category were invited to tour the local office. Also, tours of these employers' plants were arranged for placement interviewers so that they could become more familiar with the employers' needs. The emphasis was always on problem solving as the means to developing more business. This strategy proved rather successful in obtaining more job listings from this class of employers.

It should be noted that the above two strategies were very time consuming.* It was not possible for an Employer Services Representative to make ten visits a day. In fact, they seldom made more than three visits per day, per representative, and only by appointment. Each visit was carefully planned, its goal determined by a thorough study of the employer's record card; a carefully thought out approach to dealing with the employer; and even some preliminary thinking on how to follow up if the visit went well. Judging from the figures in Chapter IV, this approach paid off much more than multiple visiting.

To briefly summarize, the approach for well established customers and occasional customers was deliberate and time consuming. The first approach was concerned with maintaining good relations through quality control. The second approach was aimed at winning customer acceptance through individualized service with an emphasis on problem solving.

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* See reference to budget considerations on the preceding page.

The strategy for customers who had never used the local office was the only one of the three which called for some multiple visiting. This strategy was exploratory; a determination had to be made on the first visit as to whether this employer could be won over. If the answer was "yes," then strategy two (occasional customer strategy) was used from then on. If the answer was "no," the employer was contacted only by sending him brochures or via his exposure to radio and television announcements.

Public Relations. This refers to opening as many lines of communications to employers and the community as are feasible, in order to increase business and improve the image of the local office. The Project made extensive use of news and other public relations media during the Demonstration. There were two major reasons behind this emphasis on public relations: one, during the last eight years or so, the local office's image grew increasingly unfavorable among employers and the broader community;[1] and two, given very limited staff resources and an employer market of approximately 5,000, sole reliance on personal visits would not reach this market.

Several times in the early sections of this volume, it was stressed that the approach to the Demonstration and the actual Employer Services Model were designed in such a way that they could be replicated by almost any state Employment Service. This statement is, in general, accurate. However, with respect to the use of media oriented public relations, it is subject to qualification. Because of the need to place in proper perspective the use and costs of media, this facet of the Model will require more discussion, than its actual importance to the Model might merit. In other words, simply because more space is devoted to discussing

media usage, the reader should not assume that it was the key to success of the Model. In fact, as Chapter V shows, it played a very marginal role in increasing the volume of job listings at the local office. The principal modes of communication utilized were:

- Contacts with business and trade associations
- Press releases and articles in local magazines, such as the local Chamber of Commerce's publication
- Radio spots
- Brochures tailor-made to local needs
- Television announcements

The contacts with business and trade associations were incorporated into the Employer Contact Plan of Action. These contacts were always cordial and usually resulted in the association's pledge of support for the local office with its membership. However, in the short run these contacts could not be directly linked to any new employer's placing job orders or any increase in job openings listed with the local office. If this kind of activity is to pay off it would probably require a longer time period.

The Project assisted the local office in getting several press releases in the local newspaper and magazines. It was our experience that publishers were usually interested in materials on the local office and were cooperative in printing the stories. These stories, in turn, appeared to create some community interest in the local office. During visits by the Employer Services Unit, many employers noted that they had read the stories with considerable interest. However, once again, it proved difficult to

relate this activity to end results, such as a greater volume of openings for the local office.

During the Demonstration, radio announcements were regularly aired on several local stations. The announcements were of two basic types: one, descriptions of harder-to-fill jobs at the local office aimed at applicants; and two, descriptions of skilled applicants registered with the local office aimed at employers. Most of these announcements were taped by members of the Employer Services Unit for broadcasting at various times during the day.

The local radio stations were all very cooperative in providing public service time and in helping to set the format for the announcements. These stations had to meet FCC regulations concerning the provision of public service time and the arrangement appeared to benefit them as well as the local office. Once again, many applicants and employers, in the course of normal contact with local office staff, commented on having heard the announcements. Again, it was difficult to relate the announcements to improvements in the end result variables, openings and placements.

The preliminary findings suggested that employers had a very local orientation and would best respond to materials that related to the local area. What few brochures that did exist were designed for Detroit, (the state's largest city) or a statewide distribution. Aside from not having any local flavor, the brochures were generally unattractive and not likely to have a positive influence on the recipients. Suffice it to say that these brochures were of a kind used all over the country by various state Employment Services.

The Project undertook the design and development of two brochures, both centered on the theme that Grand Rapids (the test city) was the local office's business. One brochure on Job Bank had the names of

local firms who were happy with it. The second was an eight-page pictorial (two-color) piece on the services provided to employers, applicants, and the community. Approximately 7,500 copies of each brochure were distributed to employers with eight or more employees and also to a sampling of employers with fewer than eight employees. These brochures did appear to have a positive impact on relations and transactions with employers.

The difficulty that arises is, unlike the other aspects of the Model, the brochures could not have been designed, developed and financed by the local office. If we take the current organizational structure of the agency as a given, the design, development, and financing of these brochures would have to be done at the state level.

Assuming that the state office had adequate public information staff for this undertaking, two interrelated problems present themselves. The first problem is to develop brochures with local flavor; the second is to hold down costs. In trying to develop brochures with a local flavor, state office staffs would have to work closely with many local offices and then prepare several versions of a basic brochure. This would be a very time consuming activity, especially in a state with numerous and widely-separated local or area offices. States such as Ohio and Michigan would probably require no less than a dozen local versions of the basic brochure.

Cost is an even more difficult problem. For example, in our Demonstration, the cost to produce a year's supply of our eight-page brochure was 26 cents per copy (this does not include the costs of distributing each brochure). We projected a one year inventory of this brochure for the entire state and the cost

dropped dramatically to about 8 cents per brochure. Thus, the cost of doing this brochure on a local basis was three times greater than on a statewide basis. Also, producing more than one year's supply at the local level is no answer to the price-volume dilemma, as programs and goals change so often. Hence, most brochures would be outdated in not much more than a year, or two, at the most.

Given the above, it would not appear feasible to replicate this aspect of the Model at the local level, unless the state agency was truly decentralized. However, we would strongly recommend that where brochures are prepared for statewide distribution, the appeal of these brochures be vastly enhanced. Some brief guidelines would be to use better quality paper, more pictures, fewer technical descriptions (especially in Job Bank brochures), and design the text of the brochure to describe not only the service, but also the benefits of using the service. Also, brochures could be designed so as to permit adoption of them at the local office level to meet specific local needs.

Another unusual aspect of the Demonstration Model was the use of specially prepared television announcements. Once again, the Project, assisted by a local advertising firm, did all designing, developing, and financing of the announcements. As was true of the specially prepared brochures, the local office could not have implemented this aspect of the Model without the Project.

The Project experimented with the use of low-budget television (TV) announcements. A package of several 30-to 60-second spot announcements was developed and shown by area TV stations. The average price of one of these announcements was slightly more than $1,000.00. Because of the high impact of TV, it was not necessary

to limit the announcement to the local area. The announcements were eventually used throughout the state. While it is very hard to evaluate the impact of TV on end results, use of this medium did appear to have a positive impact.

Replication of this activity would be done best at the state office level. A package of six announcements and duplicate tapes could be prepared for just about $10,000, a not unreasonable sum. The tapes prepared for our Demonstration were of two basic types: one, a general message about a broad range of services available from the agency which was image oriented; and two, specific messages about key services (placement, etc.) which were direct sales oriented. The combination of these types appears to be very desirable.

The major question in using TV, and one which has major financial implications, is whether to purchase TV time. Unlike the radio stations, the TV stations are not so anxious to fill public service time spots, because most TV stations face great demands for public service time. In the Project we experimented with both paid and public service arrangements. When a commercial relied only on public service time, it was shown, but sporadically, and at very poor viewing times. It should be mentioned that this experiment was very unfavorably affected by the general elections. During elections there are great demands for public service time.

On the other hand, when the announcement ran on purchased time, it received tremendous coverage. For example, the Project purchased thirty 60-second spots for $1,000.00. The TV station guaranteed that one-half of these spots would be shown at prime time. In addition, the station matched the 30 prime time spots with 30 public service spots, some of which also were shown at prime times.

Unfortunately, at this time, we don't have enough experience with TV to be able to show the differences in cost effectiveness between the paid and public service arrangements. However, our limited experience leads us to believe that paying for a certain amount of TV time would prove much more effective in reaching employers and applicants. Again, the big problem is the cost of TV time and the limited budgets of all state Employment Service agencies. TV time in our test city, a medium-sized midwest city, was relatively inexpensive. However, in many large metropolitan areas it might be prohibitively expensive.

Coordination of Employer Contacts. This function was handled by the Employer Services Unit. All personal visits with employers, including individual job development efforts, were coordinated to avoid duplication of visits. The Unit's Employer Information Clerk made the employer record card and other job development information available to all office staff who were planning visits. Often, a member of the Employer Services Unit would accompany a counselor or a job developer on an employer visit, in order to optimize the impact of the visit. This effort proved very successful in avoiding needless duplication of effort.

Employer Advisory Committee. This committee was extensively discussed in Chapter II and is also dealt with specifically in Volume II, where selected guideline materials for major components of the Demonstration Model are presented. We will cover it only briefly in this section. It is a useful vehicle for opening new lines of communication with employers. Such a committee, if properly used, serves at least three functions: one, it creates a better understanding of the range of services provided by and limitations of the local office; two, it provides an informal

tool for analyzing manpower problems faced by local employers and how the office's services can be employed to mitigate these problems; and three, it serves as a legitimizing force with the employer community by lending its prestige to programs and services the office wants to provide to applicants and employers.

The Employer Advisory Committee involved with our Employer Services Demonstration Program was composed of top-tanking personnel people from ten companies and the local Chamber of Commerce. The Committee contained a cross section of local business and industry. Initially created to conduct only five informational and problem solving sessions, it became a permanent advisory committee to the local office and appeared to fulfill all of the goals set for it. We strongly recommend the use of such committees.

Employer Information

The collection and analysis of information on local employers and the local economy is essential to the success of an employer services effort. It serves several important purposes: it enables the Unit to identify those employers who have a high potential for placement business; it provides leads on employers and jobs with their firms which have a high potential for individual job development, it provides the office with a better understanding of the existing potentials and limitations of its activities as determined by local labor market structure and conditions; and it enables the Employer Services Unit to solicit job openings that match the needs of applicants in the active file. In addition, certain employer information, which represents job search information, is an essential ingredient of a JIDS.

Identification of Key Employers. This subject is covered in detail, including sample worksheets, in Volume II. Thus, in this section, it only will be outlined. Our approach rejects the traditional major/minor market dichotomy because it is too general a tool to be an accurate predictor of high potential (placement business) employers. The Model we use for predictive purposes employs seven criteria:

1. Mandatory job listing firms
2. Size of firm
3. Past and present relations with local office
4. Seasonality
5. Occupational characteristics of job seekers
6. Occupational characteristics of industry and firm
7. Turnover by firm

The Project was not able to obtain existing sample data on the last two criteria because it is collected on a confidential basis. Also, most existing employer record cards were outdated and seldom had information either on occupations within the firm or turnover. Thus, it was not feasible during the Demonstration to operationalize these criteria. This fact limited the value of our Model for identifying key employers. However, in time, as the data gaps are filled, the Model should prove more effective. Even in its limited form the approach proved to be very helpful--most of the employer it identified did turn out to be good prospects for multiple job listings.

Collection, Recording and Maintenance of Employer Information. Data is collected from several sources: calls and visits to employers; Job Bank summaries; unemployment insurance claims data; analysis of existing labor market information; surveys of occupations by firm; and spot surveys of Job Bank orders to ascertain

the occupational breakdown of these orders. An employer information clerk records and maintains all data in a centralized employer information file. This activity is performed under the guidance of the Employer Services Unit Supervisor.

The Employer Information System proved invaluable to the operations of the Employer Services Unit. This information provided an objective basis on which to select employers to contact. It also provided staff with guidelines on how best to deal with particular employers. The only problem with the Employer Information System was the time required to maintain it. It required the almost full-time attention of the employer information and coordination clerk. Many local offices facing staff shortages understandably will be hesitant to devote a full-time staff member to this position. More details on the Employer Information System can be found in Volume II.

Employer Services Resource. This resource, maintained by the employer information clerk, contained the following:

- Texts on management theory and practice and marketing
- Recent books on manpower policy and programs
- Wall Street Journal and local newspaper clippings and relevant topics
- U. S. DOL publications on technical subjects such as the Job Analysis Handbook
- EEOC literature
- Copies of journal and magazine articles on manpower and other relevant subjects
- R & D Project reports

The resource was used only occasionally by Employer Services Unit and other local office staff. These persons weren't used to devoting a part of their day (work day or personal time) to keeping up with changes in the manpower field. In this sense, there was little awareness of the need for keeping current with one's "profession." It would be fair to say that in the short-run the resource had no measurable effect on staff performance. However, in time staff may begin to utilize this resource.

Job Development Information System. This function is discussed at length in Volume II and will therefore be cursorily reviewed here. The key to successfully coordinating and extending job development activities is a central job development file containing all needed information about openings possibly amenable to job developments. The file was organized by occupational title and D.O.T. codes with similar occupational titles grouped together. Each occupational category had an information sheet for any company interested in finding a qualified person with a continuing need for that occupational title. There was a job development lead card for each company and for each occupation in which it had shown an interest.

The input of job development leads into the central job development file came from any number of sources, but predominantly from visits to employers and from labor market trends. As members of the Employer Services Unit, the interviewing staff, and counseling staff contacted employers, they were able to gain information about occupations in which the employer had a shortage of qualified workers, or occupations for which the company had a continuing need. The representatives of the local office ascertained whether the company was interested in being contacted if a suitable applicant

could be found. If the answer was "yes," then a job development lead card was made out.

The Job Development Information System was installed late in the Demonstration. As this report was being prepared, it only had been in full operation for approximately three months. During the three months in which the Project observed this system it was not heavily utilized. The Employer Services Supervisor constantly encouraged its use among local office staff engaged in job development. As was true of any new idea or technique introduced into the local office by the Project, a considerable time period was required before local office staff accepted the changes.

Employer Services

It is somewhat artificial to distinguish between employer relations and employer services. We do so for purposes of exposition, but in actual operation all five components of our program (model) were interrelated and interdependent. In the Demonstration, the services provided employers by the Unit were primarily aimed at assuring that acceptable referrals were made on existing and newly created job openings. Very little, if any, activity was devoted to improving the functioning of internal labor markets, or providing in-plant services aimed at altering the hiring process and actual job relations within the firm. We will briefly review the limited services that were provided.

Responding to Employer Complaints or Requests for Assistance. This was the most vital service the Unit provided to employers, as it was totally oriented toward improving the delivery of placement services to the employer. Most of the employer complaints centered around the lack of qualified applicants referred to them by the local office. In attempting to resolve this basic dilemma, the Unit

relied on one of two strategies and sometimes a combination of the two. Upon reviewing the employer's job order, if the specifications were both clear and realistic, the Employer Services Representatives would work with the placement operation to try to fill the order. This often involved members of the Employer Services Unit in file search activities.

If, upon reviewing the order, the specification was deemed not clear or realistic, the Employer Services Representative would make an appointment for a personal visit to the employer. During the visit the ESR would attempt to help the employer modify and/or clarify these hiring specifications. Sometimes it proved necessary to both modify the hiring specifications and also assist the placement operation in filling the open order.

This activity working with individual employers in response to their specific needs, especially when employer dissatisfaction exists, turned out to be the most valuable service the Unit provided to employers and to the operations of the local office. It resulted in many placements on orders that otherwise probably would have been cancelled. Employers responded very favorably to this service and were generally willing to modify their hiring specifications when the problem was objectively related to them. The one negative aspect of this service is that it was extremely time consuming and often severely curtailed the time available for making planned contacts to solicit new business. The ES Unit was always faced with a conflict between developing more job openings and assuring that existing openings were promptly and properly serviced. Under the Project's guidance, a reasonable balance between these two goals was usually achieved.

Providing Employers With Guidance and Assistance. This was assistance regarding testing regulations, EEOC regulations, Executive Order No. 11598, OJT programs, NAB-JOBS, WIN, and other special programs. No attempt was made to actively sell these services to employers, because of the limited staffing of the ES Unit. However, the Unit did respond to employer requests for assistance on any and all of these matters. This assistance was well accepted by employers and often resulted in new job orders for the local office. The ES Unit maintained an active commitment to developing and servicing OJT contracts during the Demonstration and met its stated goals for this activity.

Once again, the problem with providing this service was the time it diverted from activities more directly related to increasing the volume of job listings. However, this is an essential service and it cannot be ignored, even if it is not productive in the sense of increasing openings and placements.

Providing Employers With Wage and Other Labor Market Information. This service was done on a very limited basis. The area labor market analyst provided employers with labor market information upon request; however, no special studies or analyses were performed for employers, an impossibility given staffing constraints. Limited information was also provided to the local manpower planning council, but nothing requiring special study or analysis.

This facet of the Model was very underdeveloped. The problem was the lack of staff to develop and maintain a system of local labor market information for the delivery of manpower services. The single area labor market analyst served offices other than the test city local office and reported to the Reserach and Statistics Division in the administrative office. Most of this analyst's time

was devoted to developing reports for state and federal use. His activities had almost no relevance to local manpower activities, or the operations of the local office.

This factor produced a gap in our Demonstration Model which most likely reduced overall program effectiveness. The Project made several attempts to convince state level staff of the need to utilize local labor market information for local level program planning and delivery of services. However, such activities appeared to go beyond the scope of activities prescribed for the R & S Division which was not staffed to deal with additional responsibilities.

Analyzing Employer Needs and Making Provisions for the Delivery of Services Aimed at Improving Internal Labor Market Conditions. This aspect also was very underdeveloped. As the local office did not have the staff resources or competency to engage in technical services, it was necessary to make arrangements with the State Supervisor of Employer Services for assistance in delivering technical services to local employers. These arrangements were somewhat tenuous and for this reason the ES Unit never actively offered these services to employers. As there were no requests for these services from employers this aspect of the Model never was really tested.

Community Relations

Of all the components of any Employer Services Program, community relations is the most difficult to specify and implement. This probably is due to two factors: first, existing federal manpower policies have created competitive agencies with many overlapping functions, which are understandably protective of their role in the community and not always cooperative with each other

and, secondly, while community relations are an important aspect of an Employer Services Program, such relations are not limited to Employer Services staff; in fact, Employer Services staff plays a role secondary to that of the local office manager and employability development and WIN staff. Thus, coordination and control of this activity present unusual difficulties to an Employer Services Unit.

This aspect of the Demonstration Model was primarily concerned with establishing more effective communication with other agencies. This was viewed as a major step toward achieving the extensive joint working relations stressed in the USES guidelines. The emphasis was on two kinds of activities:

1. Providing agencies involved with job development, unions, and other related groups with information concerning the role and capabilities of the local office, through visits, telephone calls, attendance at various meetings, specific mailings, brochures, and radio and television broadcasts. These activities were incorporated into the Contact Plan of Action. The ES Unit met its goals for contacts in this area. However, in the shortrun it is nearly impossible to determine whether or not these contacts had a positive influence on the various agencies. A much longer time period, and continued contact with these agencies, would be necessary before any firm conclusions on the value of this activity could be reached.
2. Providing technical knowledge and expertise concerning employment opportunities and local labor market functioning to the local office manager and other staff

to help extend their working relations with other agencies. This was done, but to such a limited extent that it cannot be properly evaluated at this time.

In summary, community relations was the least developed aspect of the Model. The Project devoted very modest time and effort to this activity because, in the shortrun, improving relations with these agencies would have little impact on increasing the volume of job listings, which was our main objective.

Footnotes

1. See Giblin and Palmeri, Op. Cit., and N. Goldberg, Op. Cit., for the pre test findings concerning the local office's image in the community.

PART II: THE RESULTS OF THE DEMONSTRATION

Part II of this volume reviews the impact of the Employer Services Demonstration Model on the local office as reflected in transactions and relations with employers. The impact of the Demonstration on local office staff is also explored.

Each of the three chapters comprising this part of the volume deals with a different facet of the impact of the Demonstration Model. Chapter IV measures the impact of the Demonstration Model on the quantity and quality of job listings and also on placement activity. Since comparisons are made between the test and control cities, the chapter begins by comparing the cities on several criteria. Changes in openings and placements are charted and statistically analyzed. The impact on openings of other factors, not accounted for by the Demonstration, are evaluated.

Chapter V considers the impact of the Demonstration on the employer attitudes in both cities. Comparisons of change are made between test and control cities. The second half of this chapter attempts to ascertain the impact of selected components of the Model on employer attitudes and behavior. The key question that we try to answer is, which components of the Model had the greatest positive (or negative) impact on employers?

Chapter VI results from our concern over continued depletion of the human assets of the public Employment Service through constant and disruptive program change initiated at the federal level. This chapter also compares changes in the test and control cities in staff attitudes toward their jobs, job bank, etc.

CHAPTER IV

THE IMPACT OF THE DEMONSTRATION ON OPENINGS AND PLACEMENTS

From the standpoint of the assigned mission of the Project, this is the key chapter of the report since it attempts to assess the impact of the Demonstration on the major dependent variable--the quantity of job listings. Consideration is also given to the Demonstration's impact on the quality of openings and the volume of placements.

As already mentioned in Chapter I, the research design included a control group; a comparable city and its local Employment Service office. It is essential at this point to compare the characteristics of the two cities which might influence the volume of openings, before attempting to make comparisons of post test changes in dependent variables. The test and control cities will be compared on two bases: labor market structure and conditions and local office operations.

Before proceeding into the comparisons it is appropriate to allude to the difficulties we faced in using the control group.[1] The selection of a control city usually involves administrative difficulties. Originally we selected ten cities, any of which would have been appropriate for use as a control group. Our choices were based on objective selection criteria. However, our choices were eliminated by the refusal of the respective states to participate and other administrative problems. Hence, the control city ultimately picked was not among our ten top choices.

Another recurring problem in using control groups is that the groups are affected by knowledge of the experiment and this tends to bias their perception and, perhaps, response to existing

situations. This tendency was pronounced in our experiment despite the fact that the control group was located in another state, approximately 300 miles from the test city. The only contact was with Project staff in the pre and post test collection of data. Yet, in the post test questionnaire, they completed the items dealing with the impact of the Project on office operations, even though instructed to ignore these items which were clustered at the end of the questionnaires. Interestingly, the control city respondents rated the Project as having a positive result on office operations. Obviously, their responses on attitudinal items discussed in Chapter VI must be suspected of bias resulting from their interest in Project activities. However, despite these fairly typical methodological problems, the control city and its local office staff were reasonably comparable to the test city.

LOCAL LABOR MARKET STRUCTURE AND CONDITIONS

Many research studies present considerable descriptive information on their test and control groups. However, while such information is said to "flavor" the study it seldom helps to explain changes in the major dependent variables. In our study, providing information on the social and political structure, religious attitudes, and other such aspects of the community would shed little light on why change occurred. Even a discussion of local manpower machinery (CAMPS, City Manpower Planning Office, etc.) would be ephemeral, as this machinery has almost no effect on local office operations in either the test or control city.

From a research perspective, these socially oriented variables have only a small, randomized effect on the quantity and quality of job listings placed with a local office. It is very doubtful that they have any systematic and measurable impact on transactions

with employers. The variables we have considered in comparing the two cities have to do with local labor market structure and conditions. The five factors considered are:

1. The civilian workforce and employment
2. Recent labor market conditions
3. Wage level and structure in the community
4. Occupational characteristics of applicants registered with the local office
5. Alternative hiring channels in the community

These labor market-oriented factors, along with local office operations, will represent the basis for our comparison of the two cities.

Civilian Workforce and Employment

Table 4.1 compares the civilian workforce and employment by industry in the test and control cities. The most pronounced difference between the two cities is the preponderance of durable manufacturing in the control city. In the control city primary metal products accounted for almost one-fourth of total employment, while in the test city for only a little more than one percent of total employment. Several very large steel producers accounted for the heavy primary metal products employment in the control city. Most of the other differences between the two cities do not appear to be of major significance.

From the standpoint of Employer Services planning and program implementation, the control city's clustering of a few very large employers in primary metals had considerable significance. The control city tended to have a small number of larger major market employers in relatively close geographic proximity to one another

TABLE 4.1

CIVILIAN WORK FORCE AND EMPLOYMENT

August 1972

ITEM	Employment	
	Test	Control
Civilian Work Force	239,700	219,100
Unemployment	17,300	10,500
Employment, Total	222,200	208,600
Non-Agricultural W/S	197,800	201,100
Manufacturing	71,900	88,600
Durable	52,300	82,900
Primary Metal Products	4,000	43,900
Non-Durable	19,600	5,700
Non-Manufacturing	125,900	112,500
Mining	100	300
Construction	11,000	7,500
Transportation	9,800	10,600
Wholesale	10,900	6,600
Retail	35,700	32,100
Finance, Real Estate	7,400	6,200
Services & Miscellaneous	28,100	29,400
Government	22,900	19,700
All other Non-Agricultural	20,700	15,600
Agriculture	3,700	2,400
Persons involved in Labor-Management Disputes	200	0

Data from: Division of Research and Statistics, Ohio Bureau of Employment Services and Division of Research and Statistics, Michigan Employment Security Commission.

and the local office. The test city had a large number of smaller major market employers widely scattered through the geographic area. The contract resulted in differences in size of firm cut off for major and minor market breakdowns in the two cities. In the control city, the estimated major market had 150 employers with 35 or more employees and 1600 employers with fewer than 35 employees. In contrast, the test city had a major market of approximately 500 employers having 35 or more employees and more than 4,000 with fewer than 35 employees.

Recent Labor Market Conditions

Figure 4.1 depicts unemployment rates in the test and control cities for the period January 1971 through September 1972. When the control city was chosen in August of 1971, its unemployment rate was very close to that of the test city (8.7 percent in the test city against 8.5 percent in the control city). At that time both cities had been given D classifications by the Department of Labor, an indication of substantial unemployment.

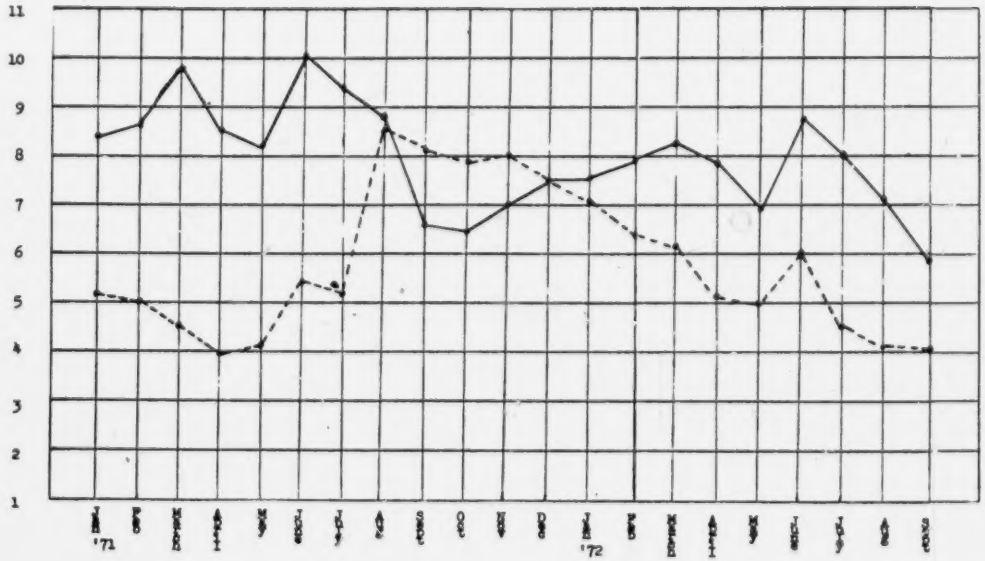
However, as Figure 4.1 indicates, with the exception of a few unusual months in 1971, the control city consistently had less unemployment than the test city. In fact, during the period of the Demonstration, unemployment in the control city averaged approximately two percentage points lower than in the test city. It is reasonable to say that the control city generally experienced more favorable labor market conditions than the test city, both prior to and during the Demonstration.

Comparison of Hourly Wage Averages

Table 4.2 compares hourly wage averages in the test and control cities. If either city had wages much lower than the other we

FIGURE 4.1

UNEMPLOYMENT RATES, JANUARY 1971 - SEPTEMBER 1972



Control City ——

Fest City ——

TABLE 4.2

COMPARISON OF HOURLY WAGE AVERAGES, JULY 1972

CLASSIFICATION	TEST	CONTROL
Manufacturing	$ 4.15	$ 4.84
DURABLE		4.88
Lumber Products	3.28	--
Furniture	3.89	—
Primary Metals	4.05	5.03
Fabricated Metals	4.60	4.66
Non-Electrical Machinery	4.75	4.26
Transportation Equipment	3.97	5.34
NON-DURABLE		4.14
Food	3.52	--
Textiles, etc.	4.08	--
Paper Products	3.77	—
Printing, Publishing, etc.	4.36	--
Chemicals	3.83	--
Non-Manufacturing		
Construction	6.36	7.68
Wholesale Trade	4.27	3.48
Retail Trade *	3.17	2.84
Banking, Insurance, etc.	2.76	—
Services and Miscellaneous	2.95	—
Government	--	--
Transportation, Utilities	—	--

* Excludes eating and drinking establishments

Sources: Division of Research and Statistics, Ohio Bureau of Employment Services; Division of Research and Statistics, Michigan Employment Security Commission

could assume it had an advantage in obtaining job orders from employers. This assumption is based on the fact that both cities tend to receive mostly lower waged/lower skilled job openings, which approximate the occupational characteristics of applicants in their active files.

As Table 4.2 indicates, a comparison of wage structures does not favor either city's efforts to obtain job openings.

Occupational Characteristics of
Applicants In The Active Files

Table 4.3 depicts the occupational distribution of applicants in the test and control city active files. The reader will note differences between the test and control city distributions. However, these differences do not appear to be of such magnitude as to greatly increase either office's capability to obtain job listings or make placements at the expense of the other office.

Alternative Hiring Channels In The Community

Table 4.4 shows pre test findings on the hiring channels utilized by employers for hourly workers over the last two years, roughly from October 1969 to October 1971. This table does indicate some differences between the two cities. Most obvious is the fact that 79 percent of the sample in the control city used the local office for hourly rated workers and only 37 percent in the test city. This was consistent with most of our pre test findings* which showed the control city as having much greater employer acceptance than the test city.

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* For more on this see the pre test, post test comparisons in Chapter V.

TABLE 4.3

OCCUPATIONAL DISTRIBUTION OF APPLICANTS
IN THE TEST AND CONTROL CITY
ACTIVE FILES

June 1972

CLASSIFICATION	TEST	CONTROL
Professional, Technical Managerial	7.0%	8.7%
Clerical - Sales	20.7%	22.9%
Service	11.9%	15.5%
Farm, Fishery, Forestry	.8%	.4%
Processing	3.3%	5.9%
Machine Trades	9.4%	6.8%
Bench Work	14.2%	6.7%
Structural	16.0%	17.5%
Miscellaneous	16.7%	15.6%
TOTALS	100 %	100 %

Source: Division of Research and Statistics, Ohio Bureau of Employment Services; Division of Research and Statistics, Michigan Employment Security Commission.

Table 4.4

Hiring Channels Utilized By Employers
For Hourly Employees Over the Last Two Years

	Test City		Control City	
	Number	% of Total	Number	% of Total
State ES (Branch Office)	68	37	19	79
Hiring at facility (walk-ins)	121	66	16	67
Referrals by employees	135	74	13	54
Private (fee) agencies	43	24	6	25
Non-fee, private association	32	18	1	4
Schools (public, trade, colleges, etc.)	73	40	12	50
Media (newspapers, etc.)	95	52	10	42
Union hiring halls	11	6	4	17
Nonprofit community agencies	31	17	8	33
Other	7	4	1	4

NOTE: (1) Percentages rounded off.

(2) Figures do not add up to 100% as respondents could check more than one category. Test City N=182 Control N=24

From: Giblin and Palmeri, Op. Cit., p.39

Also, the control city had another advantage in that it faced less competition from both private, fee-charging and non fee-charging employment agencies. The test city faced competition from an employers' association with a membership of several hundred employers. The employers' association maintained an active placement service for its membership. On the other hand, in the more heavily industrialized and unionized control city unions offered more competition than they did in the test city, e.g. hiring through union halls.

LOCAL OFFICE OPERATIONS

The operations of the two offices showed several disparities which tended to favor the control city. The preceding section of this chapter presented labor force statistics for the test and control city SMSAs. However, each office serviced a smaller population than indicated by the SMSA data, because there are other Employment Service offices located in their respective SMSAs. It is estimated that the control city office services a labor force of approximately 100,000 and the test city 185,000, or very close to twice that of the control city. These estimates of potential population to be served will place our discussion of office operations in clearer perspective.

Organization and Staffing

Prior to and during the Demonstration, the test city operated through a single main office. The control city operated through five separate offices: a main office (area office); a WIN office; a placement office at a local university; a mobile outreach "office"; and, a vocational planning center.

As staffing constantly fluctuates in most local offices we will only compare approximate staffing levels. The control city before and during the Demonstration maintained a staff of about 90 persons. The test city prior to Demonstration had a staff of about 50, which increased to almost 60 during the Demonstration, and in the last two months declined to about 55.

Prior to and during the Demonstration, the control city had a six-person, full-time Employer Services staff. By contrast, the test city had only one person on a near full-time basis for Employer Services prior to the Demonstration. As a result of Project-initiated changes, this Unit was increased to a full-time contact staff of three (See Chapter II for test city Employer Services staffing patterns.) Of equal importance, the control city had more than twice as many persons in its placement operation as did the test city, which permitted the control city to maintain a four-person File Search Unit in the main office. This Unit gave the control city local office a distinct advantage over the test city in the placement process, as file search is an invaluable activity for optimizing placements.

Job Bank and Employer Services Operations

The Job Bank operations in both cities were relatively new, having been implemented in the control city in June of 1971 and in the test city in October of 1971. Thus, during the entire period of the Demonstration both cities had new, but fully operational, Job Banks.

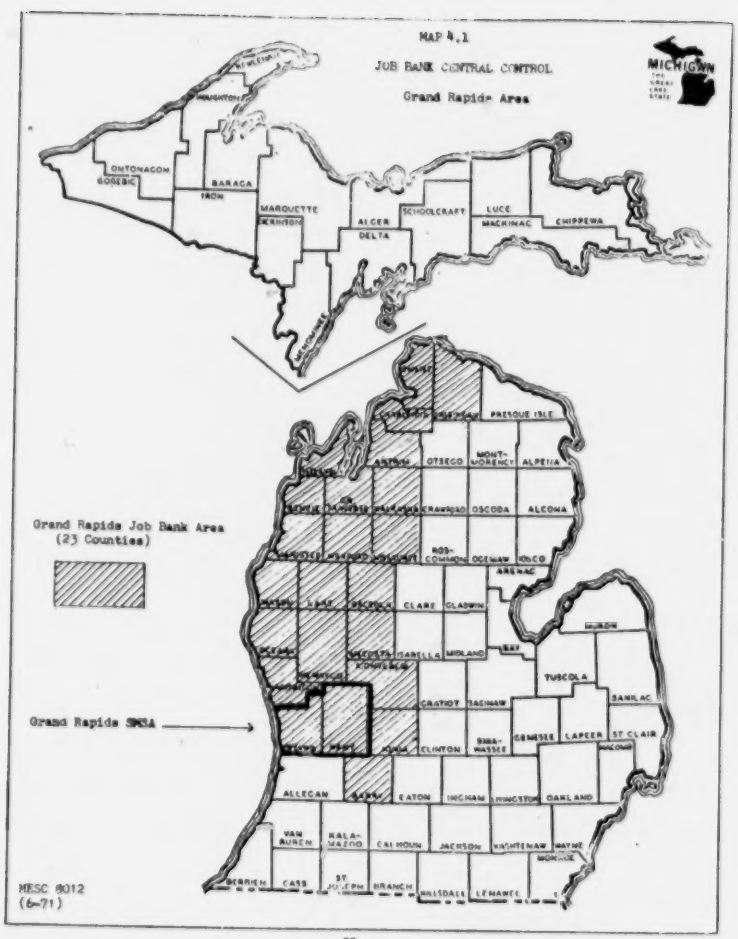
The Job Bank operation differed greatly between the two cities. In the control city the Job Bank served only that area serviced by normal local (area) office operations. The organization of Job Bank there was along national office guidelines: the Employer

Services operation was incorporated into the Job Bank Unit and central order taking, order control, and verification were all a part of the Job Bank. The Unit was relatively heavily staffed, having approximately twice the staff of the test city Job Bank operation, and was able to verify referrals on all job orders within three days of receipt.

The test city Job Bank operation differed considerably from national office guidelines, primarily the result of the vast geographical area this Job Bank served (Michigan had gone into a statewide Job Bank operation). The test city represented a terminal point in the system and its Job Bank served a large section of Western Michigan (See Map 4.1). This area not only included the test city SMSA but stretched some 200 miles north to cover several local office jurisdictions.

As a result of this approach to Job Bank organization there were Order-Taking Units in each of the local offices covered by the Job Bank. These Units were a part of the Placement Units in the local offices, which was also true in the test city. Job Bank Central Control located in the test city local office, handled order control and verification for the entire area, an undertaking extremely difficult for a relatively small Job Bank Unit, making timely verification of orders a problem. Also, many employers expressed concern over a loss of personal relations with the local office.

The different forms of Job Bank organization had implications beyond verification and other Job Bank related operations. In the control city the Job Bank was clearly a part of the local (area) office operation. The head of the Job Bank Unit reported to the Area Manager and there was a close interface of Job Bank and total


MAP 4.1
JOB BANK CENTRAL CONTROL
Grand Rapids Area
MICHIGAN
ONTONAGON
GOGEBIC
BARAGA
IRON
MARQUETTE
DICKINSON
ALGER
DELTA
SCHOOLCRAFT
LUCE
MACKINAC
CHIPPEWA
PRESQUE ISLE
OTSEGO
MONTMORENCY
ALPENA
CRAWFORD
OSCODA
ALCONA
ROSCOMMON
OGEMAW
IOSCO
ARENAC
CLARE
GLADWIN
ISABELLA
MIDLAND
BAY
TUSCOLA
SANILAC
GRATIOT
SAGINAW
CLINTON
SHIAWASSEE
GENESEE
LAPEER
ST. CLAIR
MACOMB
ALLEGAN
EATON
INGHAM
LIVINGSTON
OAKLAND
VAN BUREN
KALAMAZOO
CALHOUN
JACKSON
WASHTENAW
WAYNE
MONROE
BERRIEN
CASS
ST. JOSEPH
BRANCH
HILLSDALE
LENAWEE
Grand Rapids Job Bank Area
(23 Counties)
Grand Rapids SMSA
MESC 8012
(6-71)

office operations. Considerable control over Job Bank operations existed at the local level and Job Bank was closely tied to the placement operation.

The situation in the test city was vastly different and represented a serious operational problem. The Job Bank Supervisor reported to the Local Office Manager there, but also had a functional responsibility for several other local offices. Considerable confusion persisted over this Supervisor's responsibility to the test city office. There was little interface of Job Bank and overall operations and the local office exercised little or no control over Job Bank operations. By the time the Project became involved with local office operations, fairly poor communications and almost no cooperation existed between Job Bank and the test city local office. One can only surmise that Job Bank Central Control had even worse communications with the more distant local offices it serviced.

The Project became heavily involved with this problem as it was having an adverse effect on Employer Services and the overall local office operation. The most serious failure of the system was its inability to provide prompt verification of referrals on job orders. At best, only fully referred orders were verified within five days. Orders with no referrals or partially referred orders seldom received verification. This failure to follow up open and often very aged orders was resulting in innumerable employer complaints.

The Project's involvement in the Job Bank operation was directly related to the goals of the Demonstration. No attempt was made to change the overall organization of Michigan's statewide Job Bank. The emphasis was on trying to work out solutions that would improve verification and thereby enable the placement

operation to better service employer job orders. As a result of Project suggestions, arrangements were finally consummated that allowed interviewers to verify orders on which there had been no or only partial referrals at the end of 48 hours. They closely coordinated this activity with Job Bank Central Control. This relieved much of the pressure on the understaffed Job Bank Central Control and also reduced employer complaints, the same procedure was extended to all Michigan local offices outside of the Detroit metropolitan area.

Since the test city Employer Services Program was described in the previous chapter, this section will only examine some major contrasts between the test and control cities' Employer Services Program. The factor which determined many of the differences was staffing--the control city was much more heavily staffed to serve a much smaller employer population.

To review the situation, the control city had twice as many employer contact staff as the test city. The control city estimated its major market as consisting of 150 employers with 35 or more employees. They also served some 1600 employers with less than 35 employees. By contrast, the smaller test city Employer Services Unit had approximately 500 employers with more than 35 employees, and more than 4,000 with fewer than 35. These discrepancies in staffing and potential market dictated a much different approach to reaching the employer market in the test city.

In the control city, Employer Services staff was comfortably able to make 60-80 planned visits <u>each week</u> which enabled them to contact the entire major market every two to three months. As indicated in the preceding chapter the test city relied on a very

careful selection of high potential employers and made only 80-100 contacts each month. Also, the test city had to rely on less direct methods than the personal visits to contact employers. These approaches, described in the previous chapter, included the use of brochures, television, radio, local magazines, employer advisory committees, telephone contacts, etc.

Both cities relied on officewide coordination over employer visits. However, in the control city, the ES Unit was able to exert greater pressure on other units to conform. The control city was aided in its coordination and planning activities by its Employer Contact Automated Reporting System (ECARS). Under ECARS, all promotional telephone calls and visits had to be recorded by the person making them. The agency put considerable formal pressure on staff to make employer contacts. By comparison, the test city had to rely on informal influence to gain cooperation, an approach not always successful. There was an absence of pressure on staff outside of the ES Unit to make employer visits and the only pressure on staff within the Unit came from the Supervisor, who was encouraged to do so by the Project.

Management and Supervision

This very brief section is intended only to provide a flavor of the different management climates in the two cities. It is by nature impressionistic. A pertinent generalization would be that the control city was more tightly managed than the test city. Supervisory styles in the control city tended to be very oriented toward tasks and not to maintaining good interpersonal relations. The structured, organized basis for line management in the control city local office was reflected in the rapid translation and implementation of supervisory instructions in the ES Unit. By

contrast, there was little task orientation in the test city, and if anything, an excessive concern over the feelings of individual staff members. For instance, in briefly observing activity in the control city, one could see an order given by a superior to a subordinate with seemingly no hesitation, in almost military fashion. Not so in the test city, where, when the Project would suggest a change, the Local Office Manager and supervisors would discuss the possibility of their staff's refusal to comply. These supervisors often tended to be highly sensitive to the feelings of staff, even at the expense of legitimate task performance.

The explanation for the vast difference appears related to institutional and organization circumstances and not to the personality or competence of management in the two cities. As mentioned in earlier chapters, Michigan has a very strong Civil Service system and it appears that management in the state has been conditioned to avoid conflicts with staff. For instance, the complex and lengthy procedures involved in discharging insubordinate staff seem to discourage management from entering situations that would necessitate firing or penalizing a deviant employee. By contrast, management in the control city and at its state level had little pressure from Civil Service and exercised great prerogatives in the use and treatment of staff.

Another factor which may help explain the differences in the two cities was that the Area Manager was located in the control city local office. This person had several local offices under his control, but had been physically located in the control city for many years. His presence in the control city office was a major factor in its tight control of operations. Both his position and personality tended to command considerable respect from staff.

By contrast, the test city local office was managed by a new manager (on a trial basis) and had had several managers over recent years. These managers, lacking longevity and prestige, did not have the positional influence of the control city Area Manager and apparently were never able to maintain as tight a control over operations.

In summary, both the economic environment and the local office operation tended to favor the control city's effort to increase openings and placements. The test city was at a disadvantage on both counts. However, in the next section of this chapter we'll compare their results as if they were on an even basis. We will assume that they are capable of achieving similar end results. Thus if the test city was able to achieve more success than the control city, this procedure certainly will validate it.

ASSESSMENT OF THE IMPACT OF THE DEMONSTRATION ON OPENINGS AND PLACEMENTS

The data used in this section is not sample. Complete data on all openings, placements, and other criteria collected on-site in the test and control cities by Project staff is presented.

It is indeed difficult to prove whether the improvement in openings and placements in the test city directly resulted from the activities of the Project. In order to ascertain the answer in an objective fashion we will consider the following measures of change:

1. A study of recent job openings and placement trends in both cities prior to and during the Demonstration.

2. A statistical analysis of the changes in openings, placements, average wage rates, and average occupational levels, both pre and post test in the test city and control city.

3. A study of the occupational distribution of orders for a pre test and a post test month.

4. Finally, a multivariate study of order activity in the test city prior to and during the Demonstration.

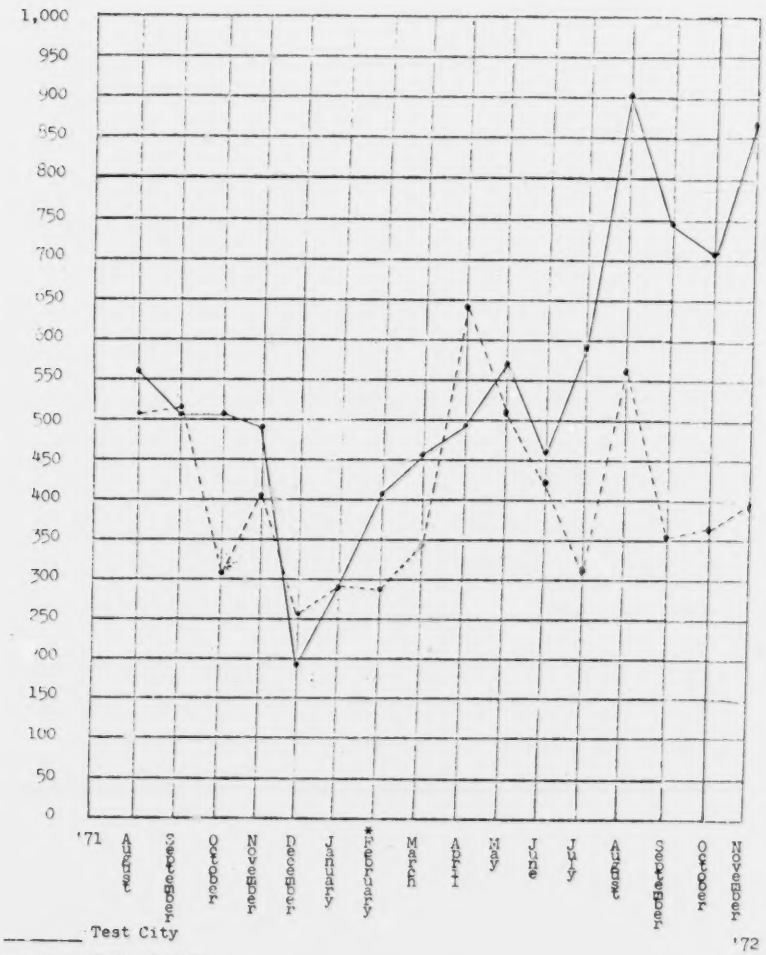
These measures should enable us to properly come to some tentative conclusions on the results of the Demonstration on the most important dependent variables. One important fact needs to be kept in mind when evaluating progress in the test city: at no time during the Demonstration did the Project attempt to realize the full potential of job openings. In fact, the Project often had the local office hold back on employer visits, because openings weren't being promptly serviced, thus resulting in numerous cancellations. The emphasis was on obtaining a volume of openings which the placement operation could properly service.

Finally, we must again mention that in view of existing conditions in the test and control cities, we will be comparing their progress as if they were on an equal basis. In other words, we are assuming that in the absence of the Demonstration, we could expect equal performances from the cities.

Recent Changes in Job Listings and Placements

Figure 4.2 depicts the movement of non-agricultural permanent job openings in both the test and control cities. While both cities showed some improvement during the Demonstration period, February-September 1972, the test city's improvement obviously was much greater. In fact, as the Demonstration proceeded, the job openings

FIGURE 4.2 RECENT JOB OPENING TRENDS IN THE TEST AND CONTROL CITIES



* Test City Employer Relations Unit began Demonstration operations.

gap between the two cities continued to widen in favor of the test city.

Figure 4.3 depicts the movement of non-agricultural permanent placements in both the test and control cities. Once again, both cities showed improvement during the Demonstration period. However, the test city's improvement was greater than the control city's, although the gap between the two in this category is small relative to the gap in job openings. This would appear to substantiate our previous comments* regarding the problems in the test city placement operation. The test city's placement operation was understaffed compared to the control city and could not manage the sudden and substantial increase in employer orders. This situation is indicative of the importance of creating change overall in a local office and not over-emphasizing one area of activity, such as Employer Services, to the detriment of another, such as Placement.

Even a superficial study of Figures 4.2 and 4.3 should eliminate any question about the influence of seasonal effects on our findings. The cities appear to have very similar seasonal influences. Also, in both cities the level of openings and placements during the Demonstration Period clearly is above the same months in the previous year. This tendency is especially pronounced in the test city.

An attempt was made to ascertain whether there was a statistically significant change in openings in the control and test cities prior to and during the Demonstration. The period used for the comparison was April - September 1971 versus April - September 1972.

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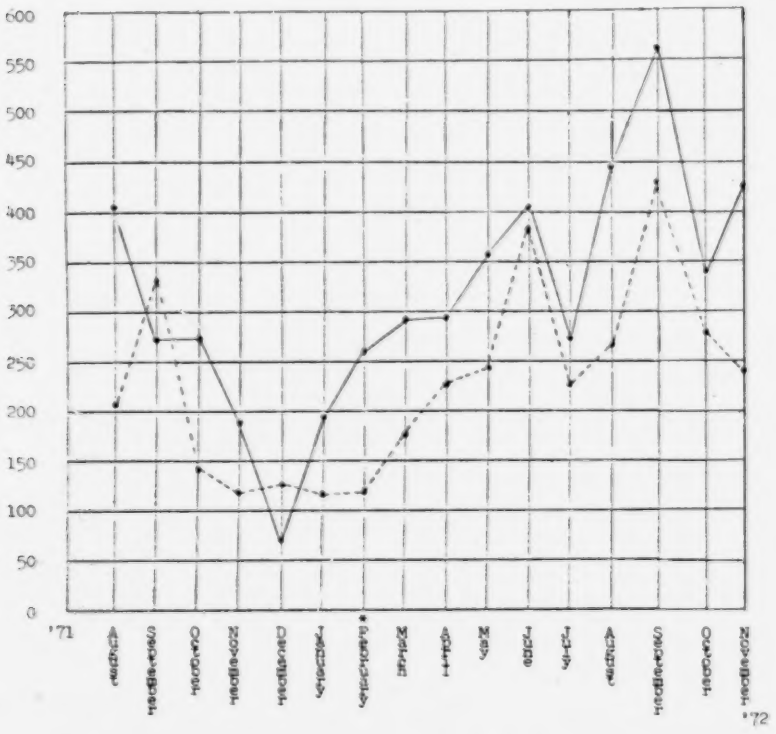
* See Chapter II.

FIGURE 4.3 RECENT PLACEMENT TRENDS IN THE TEST AND CONTROL CITIES



_____ Test City

- - - - Control City

* Test City Employer Relations Unit began Demonstration operations.

Figures are based on permanent non-agricultural placements.

As the actual Demonstration began in February 1972, these seemed to be reasonable periods for comparison.

The procedure followed in the test city was to calculate an average of non-agricultural permanent openings for the six-month period. In the control city the needed data was not available for April, May and June of 1971. However, data for these three months was available for total openings. Therefore, the procedure for the control city was adjusted so that the ratio of non-agricultural permanent openings to total openings was obtained using July through September 1971 data, with permanent non-agricultural openings representing 62 percent of total non-agricultural openings. This ratio was then used to estimate permanent non-agricultural openings for April, May and June of 1971. Six-month averages for both cities were calculated for both time periods and the data were tested for statistical significance using a standard formula[2] for determining the significance of difference in proportions.

The results were quite favorable. In the test city the average increased from 349 openings per month in the 1971 period to 628 per month in the 1972 period. This change represented an average monthly increase of nearly 80 percent over the pre test period. By comparison, the increase nationally from fiscal 1971 to 1972 was seven percent.[3] This substantial increase (statistically significant at the $p \leq .001$ level) in the volume of openings partially explains the local office's inability to maintain a higher placement ratio. By comparison, the average in the control city declined from 497 per month to 467, a decrease which was not statistically significant. However, there is no question that the test city was more successful in obtaining openings during the Demonstration period than was

the control city. Also, it is highly unlikely that the improvement in openings in the test city was due to random influences, i.e., it is unlikely that so great an improvement would have occurred in the absence of the systematic influence of the Demonstration.

An attempt was made to ascertain the statistical significance of the increase in placements in the two cities, using the same methodology that was used for openings. Again, only permanent non-agricultural placements were measured. Also, complete data was available for the control as well as the test city.

In the test city, the resultant increase in placements was much less impressive than was the gain in openings. The six-month placement average increased from 214 permanent non-agricultural placements per month to 362, an average monthly increase of 69 percent over the pre test period. By comparison, the increase nationally from fiscal 1971 to 1972 was 13 percent.[4] However, this change was not that statistically significant ($p \leq .159$); in other words this change in listings could have occurred by chance in 16 out of 100 measurements. In the control city the monthly average increased from 229 to 294. This was an average monthly increase of approximately 28 percent over the pre test period. And this change, too, had almost no statistical significance. Thus, while the volume of openings in the test city vastly increased, it was not proportionately matched by an improvement in placements. The control city showed a very slight decline in openings, but a very modest increase in placements.

An obvious question presents itself: why was the control city more successful in turning job openings into placements? This question is important because the ultimate goal is to increase placements and openings are only a means to this end. Although

there are innumerable possibilities why the control city turned a greater percentage of openings into placements, two rather obvious ones must be noted.

First, the local office in the control city may have been more productive than that in the test city. A measure of office productivity often used is the number of placements per staff member. While this measure has its limitations it is suitable for our comparative purposes. In the test city which had approximately 55 staff members during the Demonstration, the average monthly non-agricultural permanent placements per staff member was 6.6 after the test period or 79.2 per year. In the control city, with approximately 90 staff members, it was 3.3 per month or 39.6 per year. Based on this criterion, the test city was actually more productive than the control city.

A second possible explanation is that the increased openings in the test city may have been of such a nature as to make them overly difficult to fill. For instance, were they badly matched to the characteristics of applicants in the active file? The answer appears to be "no." The openings, in general, were the kind usually dealt with in the test city local office. This conclusion is substantiated by our findings on the quality of openings, described later in this chapter.

In summary, the test city was neither less productive than the control city, nor were its job openings less suited to its applicant file. The primary reason for the control city's success in placements was alluded to earlier in this chapter--its much larger staff serving a much smaller target population.

Before concluding that some part of the changes in openings and placements can be directly attributed to the Demonstration, we

must give consideration to several exogenous variables which could have been responsible for the improvements:

1. The unemployment rate
2. Major changes in the local labor market
3. The Executive Order (11598) on mandatory listings

We will discuss the first two potential influences in this section. Since the implications of mandatory listings are more complex and have special significance of their own, they will be discussed in a separate section immediately following.

The unemployment rate does not appear to have had any real influence on job openings in either the test or control city. In the test city the unemployment rate averaged 8.3 percent in 1971, the year preceding the Demonstration. During the first nine months of 1972, which encompass the period of the Demonstration, it averaged 7.6 percent, a drop of about 8 percent. Also, in a preliminary report,[5] a study of the relationship between job openings and the unemployment rate indicated that so small a change in the unemployment rate would have little impact on job listings in the test city.

In the control city unemployment averaged 6.2 percent in 1971. For the first nine months of 1972 it dropped slightly to 5.6 percent, a decrease of about 9 percent. As the unemployment rate in the test city averaged two percentage points higher than in the control city in 1972, it cannot be said that more favorable employment circumstances accounted for the improvement in the test city over the control city.

It would have been prohibitively time consuming and expensive to attempt to account for all changes in labor markets the size of

those in the test and control cities. However, in both cities attempts were made to take account of major changes which might have affected these markets. In general, a change significant enough to influence the volume of openings and placements did not appear to occur in either city: there was not an atypical number of prolonged strikes, the public employment program was of relatively marginal proportions in both cities; no major firm either located or withdrew from the test and control cities; and, no major industries were dramatically affected by economic conditions or government contracts during the Demonstration. In brief, the cities' labor markets remained reasonably stable immediately before and during the Demonstration.

The Impact of Mandatory Listings on the Findings

The purpose of this brief section is not to evaluate the effectiveness of Executive Order #11598, as this would go beyond the scope of our research desing, but merely to assess the impact of this Order on the outcomes of the Demonstration. Specifically, did mandatory listings account for all or a major part of the increase in job openings in the test city? While there isn't a perfectly clear-cut answer to this question, we believe that the Order had only a very marginal influence on openings.

This finding comes as no surprise. In a preliminary report[6] it was suggested that the Order would be only a minor influence. This projection was based on two factors: first, our attitudinal survey indicated that most employers were very negative about this Order and, in the absence of rigorous enforcement, would not be cooperative, an attitude that hardened over the year (see Chapter V), and second, it was estimated that, based on federal contracts, the Order would have potential impact only on a small percentage of

the test city employers. A third factor emerged shortly after our concluding preliminary research--the continued absence of clear-cut guidelines to the local office for reporting and dealing with employers on this Order. Such guidelines were not furnished until late in the Summer of 1972.

Finally, before discussing our quantitative findings we must say that we will not be discussing the impact of this Order on the control city. The data on this order for the test city was collected on a monthly basis as a part of Project activities. Of course, the same activity could not be expected of the control city. The only data staff there could furnish was an estimate that, "for the period August 1971 through August 1972....460 openings were counted and this (sic) could be construed as conservative, the reason being that many employers were not aware of their obligations and the Employment Service had no real definite reporting procedures..."[7] This single gross figure is inadequate for making comparisons against our more extensive data base in the test city.

An examination of the gross figures alone might lead to the assumption that the Order had a sizeable impact on openings in the test city. During the period used to measure the increase in openings (April - September, 1972) an average 18.4 percent of the openings received were from employers covered by the Order (test city figures only). However, an indepth analysis performed each month indicated that the vast majority of these openings originated with employers who had regularly listed similar amounts and types of job openings with the local office. This careful, complete analysis of mandatory openings showed that fewer than 5 percent of the total openings were from employers who had not been using the

office. Also, probably very few of the openings from new employers were placed in "good faith;" many resulted in cancellations. In other words, many employers who had not been using the office and who had government contracts, placed orders that they knew could not be filled, e.g. they may have filled the jobs before placing the orders with the local office.

Table 4.5 depicts mandatory order transactions for July - September 1972. In reviewing Table 4.5, the most important item is, of course, placements. The most significant factor is mentioned in footnote 3 to this table. One firm accounted for 67 percent of all the placements covered by this Order and this firm had an exclusive hiring arrangement with the local office prior to the Order. A monthly review of mandatory job orders indicated that better than 95 percent of the orders and eventual placements were made by and with employers who had been using the local office for similar job openings prior to the Order. Thus, one can see that in the test city the Executive Order was of marginal importance in increasing openings and placements.

To briefly summarize the findings in this section, it seems eminently fair to attribute the large increase in openings primarily to Demonstration activities and not to any of the exogenous variables that have been discussed.

The Impact of the Demonstration On the Quality of Job Listings

Three factors were taken into account in assessing the impact of Project activities on the quality of job listings: the change in the average rate of openings; the change in the average occupational skill level; and changes in the occupational

TABLE 4.5

RESULTS OF JOB ORDERS[1] LISTED WITH THE BRANCH OFFICE BY FIRMS COVERED BY EXECUTIVE ORDER NO. 11598, April - September 1972.

	April	May	June	July	August	September
Number of Mandatory Orders	39	27	40	54	82	48
Mandatory orders as percent of total orders	11.6%	7.0%	10.7%	15.0%	15.6%	11.9%
Number of mandatory openings	97	59	61	97	229	187
Mandatory openings as percent of total openings	19.5%	10.3%	13.1%	16.7%	25.3%	25.0%
RESULTS[2]						
Number of placements[3] (including veterans)	53	136	85	125	123	167
Number of veterans (mandatory only)	17	41	27	23	13	66
Cancellations	0	12	10	53	66	57
Open Orders	39	13	12	53	59	57

1. All data on orders, openings and placements refers to permanent, non-agricultural transactions.

2. In studying the results in Table 4.5, the reader should be aware that the figures on openings, cancellations, etc. do not always balance. This is due to several factors, including left over orders from previous months still on Job Bank and existence of continuous open orders (orders that remain permanently open where the firm merely changes the number of referrals to be made).

3. Of the 689 placements made in this period, 465 or more than 67 percent, resulted from one firm which had an exclusive hiring arrangement with the local office. This arrangement existed prior to the Executive Order and the Order did not alter its transactions with the local office.

distribution of job openings. Our overall conclusion is that the Project had neither a positive nor a negative impact on the quality of openings listed with the local office. While employers were more willing to use the local office, they were less willing to place their higher skilled, more professional jobs.

The average wage rate was calculated from a complete analysis of all permanent non-agricultural openings in a given month. In two representative months prior to the Demonstration (August 1971 and January 1972), the average wage rate for openings was $2.39 per hour. During the six key months of the Demonstration (April - September 1972), it averaged $2.69, or a thirty cent increase. This change had no statistical significance. Also, when allowance is made for the normal increase in prices and wages this increase is even further deflated.

In considering the rather low dollar figure, the reader must remember that Grand Rapids is a relatively low wage city compared to others in Michigan. However, the average hourly wage in manufacturing is in the respectable area of $4.00 per hour. There is little question that prior to and during the Demonstration a large proportion of the local office's job openings were in the lower waged/lower skilled category.

The experience in the control city was very similar. In August 1971 the average wage for openings was $2.29 per hour. In August 1972 it was $2.61 per hour, an increase of thirty-two cents per hour. However, the control city's relationship with a local university tends to create an upward bias to the wage and occupational skill level of its openings. Were it not for these college level placements, the average figure in the control city would be somewhat lower for both periods. As is true of the test

city, the control city tends to have a high proportion of its job openings in the lower waged/lower skilled category.

The average occupational skill level was also calculated from a complete analysis of all permanent non-agricultural openings in a given month. This figure is arrived at by adding the last three digits of the standard six-digit occupational code found on the job order. This figure provides a rough index to the skill level of the job. There is an inverse relationship between the figure and the skill level, i.e. the higher the figure the lower the skill level.

As was true with the average wage rate, the occupational skill level of openings listed with the local office were only slightly affected by the Demonstration. The figure for two representative months prior to the Demonstration (August 1971, January 1972) was 19.5, a relatively low level of occupational skill. The figure improved for the key months of the Demonstration (April - September 1972) to 18, still a pretty low skill level. This change was of no statistical significance.

As might be expected by now, the control city showed similar changes. The skill level figure there was 20 in August 1971, dropping to 19 in August 1972, or a very slight improvement, but once again, of no statistical significance.

Table 4.6 compares the changes in the occupational distribution of job orders between the test and control city, for a pre test month and after the test. It is very difficult to arrive at substantive judgements from such a limited observation. Also, as we noted, neither city experienced a statistically significant change in the occupational skill level of openings after the test. Again,

TABLE 4.6

PRE TEST POST TEST COMPARISONS OF OCCUPATIONAL DISTRIBUTION OF JOB OPENINGS (TEST AND CONTROL CITIES)

Occupational Classifications		TEST CITY % of Total Openings		CONTROL CITY % of Total Openings	
		August 1971	August 1972	August 1971	August 1972
Professional, Technical & Managerial	0 1	1	5	6	20[1]
Clerical & Sales	2	23	20	28	20
Service Occupations	3	14	20	30	27
Farming, Fishery, & Forestry	4	13	1	1	4
Processing	5	2	3		
Machine Trades	6	5	9	15	8
Bench Work	7	25	5	2	4
Structural Work	8	8	10	7	7
Misc. Occupations	9	9	27	11	10
TOTAL PERCENT		100	100	100	100

1. 53 of 70 openings was for teachers through special placement relationship with local university.

most of the changes in Table 4.6 were more explainable by local economic and labor market conditions, than Project interventions.

In reviewing Table 4.6, the reader should note that the percentages are based on relatively small numbers of openings in each city. (See Table 4.7 for the test city openings in August 1972.) It is probably fair to attribute some of the increase in the Professional, Technical, Managerial (0-1) category to mandatory listings. This is probably true of the control city as well, although its relationship with a local university explains the greater part of the increase.

Most of the changes in the test city were between relatively low-level occupational categories. For instance, bench work declined substantially, but miscelleneous occupations increased substantially. Such changes in these categories have little overall impact on the quality of job openings listed with the local office.

Summary of Major Placement Transactions During Demonstration

Table 4.7 depicts the movement of a number of key variables during the Demonstration. Earlier sections of this chapter have elaborated on the changes in openings, the quality of openings, and placements. At this juncture the reader might give consideration to several items less directly influenced by the Demonstration, but which nonetheless affected its progress. Two items of particular interest are: first, the placement to opening ratio and second, the referral to placement ratio.

The placement to openings ratio was relatively poor. As noted in the interpretation to Table 4.7, our procedure for calculating

TABLE 4.7

ANALYSIS OF MAJOR PLACEMENT

TRANSACTIONS AT LOCAL (TEST CITY) OFFICE

January - September, 1972

	January	February	March	April	May	June	July	August	September
New Applicants	1650	1683	1766	1779	1744	1991	1590	1646	1943
Orders	183	244	337	337	388	373	359	523	403
Openings	280	416	459	497	574	465	580	904	749
Open Orders	80	90	180	214	361	45	209	376	437
Closed Orders	183	154	157	123	151	405	117	277	200
Cancellations	162	107	122	97	381	305	120	457	253
Total Placements	364	425	449	497	637	632	545	704	613
Permanent	197	260	288	291	356	401	276	431	417
Short-time (casual labor placements)	167	165	161	206	281	231	269	273	196
Placement to Openings Ratio	70%	64%	63%	59%	62%	86%*	50%	48%	69%
Referrals	1000	908	1129	1001	1535	1457	1451	1781	1444
Referral to Placement Ratio	20%	28%	26%	29%	23%	33%	25%	24%	29%
Average Wage Rate	$2.48	$2.62	$2.82	$2.85	$2.57	$2.80	$2.66	$2.61	$2.63
Average Occupation Level	19	18	18	18	19	17	18	19	18
Unemployment Rate	7.4%	7.9%	8.2%	7.8%	7.0%	8.6%	8.0%	7.2%	5.9%

*Special effort made to expand placements through file search while limiting openings expansion through a severe reduction in employer visits.

TABLE 4.7 INTERPRETATION

New Applicants -	All new applicants registered during the calendar month.
Orders -	All permanent job orders received during calendar month.
Openings -	All permanent openings received during calendar month.
Open Orders -	All Grand Rapids open orders on Job Bank (figure calculated 4-6 weeks after end of each month).
Closed Orders -	All closed orders on Job Bank (4-6 weeks after).
Cancellations -	All cancelled orders from Job Bank (4-6 weeks after).
Total Placements -	Summation of permanent and casual placements made during the month. However, placements may have been made on openings received in previous calendar months.
Placement to Openings Ratio -	Permanent placements and openings only. This ratio is inflated because openings are for calendar month only but placements are for placements made on calendar month and previous month(s) openings.
Referrals -	Total permanent referrals made in calendar month.
Referral to Placement Ratio -	Total permanent referrals to total permanent placements.
Average Wage Rate -	Average based on average wage rate of openings received during calendar month.
Average Occupational Level -	Figure is the sum of last three digits of the six-digit occupational code averaged for all openings received during calendar month.
Unemployment Rate -	For Grand Rapids SMSA.

the ratio tended to inflate it. For example, in August, 1972, the actual ratio of placements made on August openings was probably less than 30 percent. The 48 percent figure represents the placements made on all openings in Job Bank during August, many of which date back to previous months. The cause of this poor ratio has been alluded to in several places in this volume. To summarize, the failure in the test city local office to make more placements on existing job openings stemmed from a combination of staff shortages and relatively ineffectual managerial control over operations.

The referral to placement ratio is also poor; for most months it was 4 to 1. A study of MESC's experience shows that prior to the massive changes in policy and program direction of the mid-1960's, this relationship was a very respectable ratio, slightly more than 2 to 1. (See Table 1.2, in Chapter I). The causes for this outcome are more complex than for the poor placement-opening ratio. Inadequate staffing and lack of management control undoubtedly contributed here, as well as in the placement-opening ratio, but in addition, there were two other factors.

In a recent national evaluation of Job Bank[8] it was suggested that there is an inherent tendency in such an operation toward an increase in the numbers of referrals per placement. We might assume this same tendency existed in the test city, although we cannot determine to what extent it altered the referral-placement ratio. Actually, during the Demonstration the ratio improved slightly, but this was probably due to the extensive efforts of the Project to improve this ratio. Even more important is the negative perception employers have of the local office's

applicants. In our pre test findings,[9] the mean rating given the office's applicants was "unacceptable," even though the next category was "poor, but acceptable." This negative employer perception of referrals from the local office is bound to result in a high referral-placement ratio.

These findings support our assumption that the test city was representative of a Stage II level of development. While the overall volume of openings improved during the Demonstration, the operation as a whole did not fully advance to a Stage III level of development, a level of development capable of adequately servicing a larger volume of activity. In this broad sense the Project, at least in its short-run impact, was less than fully successful. This seems to bear out our conclusions in Chapter II that change in a local office must be along a broad front and over a considerable period of time, if it is to result in meaningful improvements in overall operations and performance.

Footnotes

1. For a discussion of the methodological difficulties in using control groups, a discussion which parallels some of our actual experiences, see, Roger Harison, "Research On Human Relations Training: Design and Interpretation," in The Journal of Applied Behavioral Science, Vol. 7, No. 1, November, 1971, pp. 71-73.
2. William L. Hays, Statistics, Holt, Rinehart and Winston, 1967, N. Y., pp. 584-586.
3. U. S. Department of Labor, Office of Information, News, Monday, November 6, 1972.
4. Id.
5. Giblin and Palmeri, Op. Cit., pp. 24-25.
6. Ibid., pp. 27-29.
7. Ohio Bureau of Employment Services, Inter-Office Communication to MESC-AER Project, October 20, 1972.
8. An Evaluation of the Results and Effectiveness of Job Banks, Ultra-Systems, Inc., March, 1972, U. S. DOL, Manpower Administration, Contract No. 83-06-72-01.
9. Giblin and Palmeri, Op. Cit., p. 42.

CHAPTER V

THE IMPACT OF THE DEMONSTRATION ON RELATIONS WITH EMPLOYERS

The previous chapter contained an evaluation of the Demonstration's impact on some very highly measurable outputs--traceable to records--job openings and placements. From the very start of the Project it was deemed necessary to measure change in more than just the objective dependent variables (See Chapter I for details): it was felt to be necessary to also measure change on an inferential basis.

Prior to and during the Demonstration the test city had an unusually high unemployment rate (See Chapter IV). Thus, even if some employers had been favorably impressed by the Employer Services program, they might not have been in an immediate position to place job orders with the local office. We hypothesized that if the employers had a more favorable attitude toward the local office, they would be more likely to use its services when labor market conditions improved. Of course, one could argue that improved labor market conditions by themselves would create more favorable employer attitudes. However, our preliminary research,[1] while not conclusive, did appear to support our working hypothesis.

In reviewing this chapter, the reader must bear in mind two essential facts. First, as mentioned before, the actual Demonstration had been in progress only nine months when post test data was collected. As we noted in Chapter IV, this is a relatively short period in which to expect major change in the objective dependent variables--openings and placements. This holds even more true for the subjective dependent variables--employer attitudes toward the local office. In the absence of dramatic change we

would not expect statistically significant changes in these attitudes.

The second key fact to bear in mind is the way in which the sample population of employers was treated during the Demonstration. As you will recall from Chapter I, this population was a stratified random sample, intended to be representative of the employer universe in the area served by the test city local office including those never served by the local office and never having done business with it. As we wanted to ascertain the Demonstration's impact on the entire employer community, the sample population (N=182) was treated like other employers in the area; no attempt was made to devote special attention to these employers, such as assuring that they all received multiple personal visits. For instance, our contact plan of action did not include employers with less than 50 employees a group which represented approximately 45 percent of our sample. Thus, the employers in our sample with less than 50 employees weren't designated for planned contacts. If any employer requested assistance, the request was honored regardless of size, so it is possible that some of the smaller employers, sample and non-sample, did receive a personal visit. Thus, when studying our findings the reader can be reasonably sure that they apply to the entire employer universe in the test city area and not to a specially treated small group of employers. Of course, had we concentrated all our visits and services on these 182 employers we could well have expected very dramatic and positive change. However, this would have been unrealistic, as it would have necessitated neglecting several thousand other employers in the test city area.

This chapter probably is the most involved part of this final report. To try to put these complex issues and analyses in clear perspective, the chapter contents have been carefully organized: the first section presents an analysis of the broad area of employers' attitudes toward the local ES offices; the second section analyzes changes in the more specific areas of activities and relations between the employers and the local offices; and the third section attempts to establish the interrelationships between employer attitudes, Employer Services activities, and employer-local office relations.

EMPLOYER ATTITUDES TOWARD THE LOCAL OFFICES

The pre test analysis resulted in the development of three factors,* two of which concerned employer attitudes toward the local ES offices. The third factor is more general in nature and will be used to partially explain changes in the other factors.

In studying the tables in this chapter and Chapter VI, the reader must be aware of the meaning of the data. First, all the means used are based on a seven point Likert-type scale. A seven (7) indicates strong agreement with the questionnaire statement, while a one (1) would indicate total disagreement. A score of four (4) indicates perfect neutrality; the respondent was neutral or indifferent to the Item (the statement). For instance, a mean of 4.80 on an Item would indicate the respondents (on the average) were in agreement with the statement. A mean of 3.20 would indicate they (on the average) disagreed with the statement.

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* See Appendix I for the original Factor Analysis interpretation and Tables.

In studying a table, such as Table 5.3, in which the means of individual questionnaire items are given, the reader must study the way the question is phrased (positively or negatively) and then associate the mean score with the way the question was slanted. For example, if the statement was phrased negatively and the mean score was 5.50, this would indicate the respondents strongly agreed with this negative statement; their attitude toward the Item was negative.

However, this does not hold true for Tables such as 5.1 and 5.4 where composite score means are presented. The composite score mean is the average of all the means which comprise the particular factor (in the case of Table 5.1, the factor is made up of eight items and the composite score mean is the average of the means of the eight items). As we just pointed out, some items are negatively stated and some positively stated. Thus, in order to composite the means of all the items, those means for items which are negatively phrased are reversed. Thus a high mean on a composite score is always positive and a low mean is always negative. For example, in Table 5.1 the control city post test composite score mean of 4.33 indicates a moderately positive attitude toward using the services of the local office.

Employers' Attitudes On Use of Local Office Services

Factor 2, the employers' attitudes toward using the services of the local office, was composed of eight items which tend to describe the employers' attitudes toward using the services of the test city and control city local offices. Table 5.1 depicts the changes in composite scores on this factor. The composite scores increased slightly in both cities. However, the test city remained

in the neutral range, while the control city remained in the slightly positive range. In other words, employers in the control city, both pre and post test, had a more positive attitude toward using the services of their local office, than did employers in the test city. In and of itself, the Demonstration did not have sufficient short run impact to alter this attitude among employers. It should be noted that while data collections were twelve months apart, the actual Demonstration had only been in operation for nine months when post test data was collected.

In studying this Factor the reader should note the medium range Alpha[2] scores in Table 1. These Alpha scores indicate that the Factor has reasonable internal consistency reliability but there is some disparity among the items constituting this Factor. In other words, all the items that make up the factor did not "hang together" (cluster) as much as we would have liked. Chances are this factor is measuring more than just the employers' attitudes toward use of local office services.

TABLE 5.1
Respondents' Attitudes Toward Using The Services of the Local Offices
Pre Test Post Test Changes
(October 1971--October 1972)

	TEST CITY		CONTROL CITY	
	Pre Test	Post Test	Pre Test	Post Test
Composite Score Means (Factor 2)	3.83	3.95	4.23	4.33
Sigmas	.97	.81	.87	.94
Alphas	.64	.45	.37	.50
	N = 182 Pre Test N = 145 Post Test		N = 25 Pre Test N = 20 Post Test	

Table 5.2 compares the changes in differences between the test and control cities on this Factor. There was no statistically significant pre to post test change between the two cities; in other words the differences between the two cities could have resulted from chance. However, the change in the test city was ever so slightly greater and in a positive direction.

TABLE 5.2
Comparison of Test Control
Differences on Factor 2
(Attitude Toward Using Services of Local Office)
*means of differences

Test	Control	Mean Difference	T Value	DF
.70	.26	.44	.21	23

*Based on total scores for all eight items.

The items that compose this Factor, as mentioned already, are in Appendix II. As there are few items that showed any interesting changes we won't discuss all the items and how they changed. Table 5.3 compares all the items that compose this Factor. However, there were two items which didn't change greatly, but are, by nature, of special interest to us.

One item (#19), "The State Employment Service has made a positive contribution to my operations during the last 12 months," remained negative in both cities. However, employers were slightly less negative in both cities in the post test period as compared with views held before the Demonstration got underway. The test city mean changed from 2.93 to 2.96 and the control city from 3.56 to 3.90. Thus, the test city remained negative but slightly

TABLE 5.3

COMPARISON OF TEST AND CONTROL GROUP

ON FACTOR II ITEMS: PRE AND POST TEST

(Attitude Toward Using The Services Of The Local Office)

ITEM		TEST CITY Pre Test	TEST CITY Post Test	CONTROL CITY Pre Test	CONTROL CITY Post Test
2. I don't object to being contacted by the many community agencies involved with job placement.	mean	4.18	4.37	4.60	4.55
	sigma	2.00	1.96	2.12	2.16
7. Government must play a much greater role in alleviating many social and economic problems that burden our society.	mean	2.86	2.79	3.56	3.35
	sigma	1.89	1.83	2.37	2.20
8. I would be positively inclined toward telephoning my job openings into a centralized unit.	mean	4.43	4.54	4.72	4.70
	sigma	2.05	1.92	2.09	2.26
12. The Employment Service represents the largest single source for hiring disadvantaged workers in the community.	mean	4.80	4.86	5.56	5.55
	sigma	1.52	1.53	1.30	1.69
16. Under normal economic conditions I would like to receive more personal contacts from representatives of the state Employment Service.	mean	3.90	4.06	3.56	4.25
	sigma	1.75	1.70	2.02	1.70
18. The provision of area labor market information to private employers is one of the most valuable services provided by the state Employment Service.	mean	4.42	4.70	4.68	4.50
	sigma	1.61	1.58	1.91	1.83
19. The state Employment Service has made a positive contribution to my operation during the last 12 months.	mean	2.93	2.96	3.56	3.90
	sigma	1.90	1.79	2.19	1.55
20. I would consider listing all my job openings with the state Employment Service.	mean	3.12	3.35	3.64	3.85
	sigma	1.82	1.87	2.00	2.29

less negative, while the control city began to approach the neutral range, i.e. employers didn't really disagree but didn't agree either. The change in the control city was positive to a greater degree, than the test city, but the difference between the two wasn't statistically significant.

On another item, "I would consider listing all my job openings with the state Employment Service," both cities remained negative. Both changed slightly and in a positive direction--the test city mean from 3.12 to 3.35 and the control city from 3.64 to 3.85. Again, while the change was slightly better in the control city, the difference wasn't statistically significant. In both cities it was clear that most employers weren't ready to list all their openings with their respective local offices.

Item 2 is of some interest in that employers in both cities indicated that they had no objections to being contacted by a number of community agencies involved with job placement. They also indicated on Item 16 that they would like more visits from the Employment Service. Their responses to these items seem to indicate a general willingness to be contacted by non-profit agencies concerned with employment.

Also of interest is Item 18, which indicates that respondents in both cities considered the provision of Labor Market Information as one of the more valuable services provided by the Employment Service. This finding is consistent with our everyday experiences with employers who often requested certain kinds of LMI.

Employers' Attitudes Concerning The

Quality of Services Provided By The Local Offices

Factor 3 is composed of the six items in Table 5.6. It is an important Factor, as it provides a measure of the employers' attitudes concerning the quality of services provided by the local offices. Table 5.4 depicts the pre to post test changes on this Factor. Fortunately, the Alpha scores are reasonably high on this Factor, providing some confidence in its value as a measure of this attitude.

TABLE 5.4

Respondents' Attitudes Concerning The Quality Of Services Provided By The Local Office

Pre Test Post Test Changes

(October 1971--October 1972)

	TEST CITY		CONTROL CITY	
	Pre Test	Post Test	Pre Test	Post Test
Composite Score Means (Factor 3)	3.61	3.50	4.01	4.50
Sigmas	1.09	1.05	1.20	1.18
Alphas	.68	.66	.68	.65
	N=182 pre test N=145 post test		N=25 pre test N=20 post test	

As Table 5.4 indicates, in the test city there was a slightly negative change on the composite score means; it was negative to begin with and became slightly more so over the year. The control city, on the other hand was slightly positive to begin with and became moderately more positive on the post test measure. Thus, prior to and at the end of the Demonstration, employers in the control city had a more positive attitude concerning the quality

of services provided by their local office than did employers in the test city. This means that the short-run impact of the Demonstration was not sufficient to improve employers' attitudes toward the quality of the test city local office's services. In fact, this attitude became slightly more negative.

As Table 5.5 indicates there was no statistically significant change in the pre to post test differences between the test and control cities. In other words, the control city improvement over the test city was not very large and the difference in measurement between the two may well have been the result of chance.

TABLE 5.5

Comparison of Test Control Differences on Factor 3

(Attitude Toward The Quality Of Services)

*means of differences

Test	Control	Mean Difference	T Value	DF
-.68	1.4	-2.9	-1.4	23

*Based on total scores for all six items.

Table 5.6 depicts the means and standard deviations that compose Factor 3. Most of the items clearly favor the control city. The ability of the control city local office to refer qualified job applicants (Item 1 in Table 5.6) may help to explain our findings in the previous chapter that the control city did a better job of making placements on existing job openings. In the pre test, employers in both cities agreed that the local offices seldom referred qualified job applicants. This feeling remained through the post test period in the test city,

TABLE 5.6

COMPARISON OF TEST AND CONTROL GROUP

ON FACTOR III ITEMS: PRE AND POST TEST

"Attitude Regarding The Role Of The Local Office in Relation to Applicants"

Item		TEST CITY Pre Test	TEST CITY Post Test	CONTROL CITY Pre Test	CONTROL CITY Post Test
1. The main problem with using the state Employment Service as a source of new employees is that it seldom refers qualified job applicants.	mean	4.63	4.67	4.48	3.50
	sigma	1.83	1.80	1.90	2.06
13. The Employment Service is more concerned with service to job applicants than service to employers.	mean	4.55	4.50	4.12	3.45
	sigma	1.71	1.70	1.93	2.13
18. The state Employment Service should provide employers with services other than just job referrals.	mean	4.20	4.31	4.12	4.45
	sigma	1.86	1.86	1.93	1.75
14. I am hesitant to place my job openings for highly skilled, semi-professional, and professional positions with the state Employment Service.	mean	4.90	5.21	4.32	3.75
	sigma	1.79	1.61	2.19	2.19
17. The Employment Service staff members do not possess the expertise necessary to pre-screen applicants for my job openings.	mean	3.80	4.06	3.36	2.45
	sigma	1.76	1.74	1.85	1.66
22. The Employment Service must be substantially changed to become more responsive to applicants and employers or it eventually will be discontinued.	mean	4.28	4.19	3.52	3.40
	sigma	1.65	1.76	1.86	1.88

but not in the control city. The larger placement operation in the control city appears to have been making better referrals than that in the test city.

Item 14 in Table 5.6 is consistent with the above findings. During the pre test, employers in both cities were hesitant to place their better job openings with the local offices. In the test city thie remained true during the post test, with employers becoming even more hesitant. However, in the post test period, the control city employers were much less hesitant to place their better job listings with their local office.

Item 17 is consistent with the findings on employer attitudes toward the quality of placement services in the two cities. During the pre test, employers in the test city indicated that they felt that local office staff had the expertise to handle employers' job openings. This item became slightly negative by the time of post test. However, in the control city, this item became more positive by the time of post test.

All of the above findings appear to substantiate our position that one can't improve one area of local office operations and ignore, or spend less effort on, others. While our Employer Services activities engendered a greater volume of openings and placements, these activities also resulted in proportionately greater job order cancellations. The relatively understaffed placement operation in the test city was unable to effectively cope with the new volume of business. Test city employers perceived this as resulting in a slightly poorer quality of services from their local office. If this situation were to continue, it could eventually do harm to relations with employers

and contribute to a decline in job listings which could more than offset the progress made during the Demonstration.

The notion that the deterioration of placement services in the test city partially resulted in the worsening of employer attitudes on Factor 3 is speculative and most likely only part of the reason for the slightly negative change. In a later section of this chapter we undertake to pull together the interrelationships between employer attitudes, local office activities, and actual working relationships. However, before proceeding, we'll briefly examine another possible reason as to why the Demonstration did not have a very positive impact on employer attitudes. This reason is directly concerned with the change in another employer attitude.

Employers' Socio-Economic Orientations And Attitudes Toward The Local Offices

Factors 2 and 3 were rather specific in nature, in that they dealt with employer attitudes toward the local offices. Factor 1 is much more general in nature and concerns the employers' attitude toward the government's role in the functioning of local labor markets. Table 5.7 compares the change in composite score means on this Factor. In studying this factor, the reader should note that unlike Factors 2 and 3, the Demonstration could not be expected to have either a positive or negative impact on it. It is a very broad-based Factor which gives an indication of local employer attitudes regarding the local office and the limited role of government activity in the labor market. The individual items which constitute this factor are not directly concerned with the functioning of the local offices.

TABLE 5.7

Respondents' Attitudes Toward The Government's Role In Local Labor Market Functioning

Pre Test Post Test Changes

(October 1971--October 1972)

	TEST CITY		CONTROL CITY	
	Pre Test	Post Test	Pre Test	Post Test
Composite Score Means (Factor 1)	3.35	3.25	3.27	3.60
Sigma	1.06	.94	1.23	1.22
Alphas	.67	.57	.76	.72
	N=182 pre test N=145 post test		N=25 pre test N=20 post test	

Somewhat surprisingly, the test city employers became slightly more negative on this factor while those in the control city became moderately more positive. The Alpha scores are high enough to assure us that the items composing this Factor do relate well to one another and the Factor does represent the underlying psychological make-up of the respondents' on these items. We must conclude that employers in the test city did become more conservative in their attitudes toward government intervention in the local labor market, while control city employers became more positive. This change in the test city may well have been related to extraneous matters unrelated to labor market functioning. For instance, the test city had experienced a prolonged conflict over school integration and busing which may have affected attitudes toward government intervention in the social sphere.

As Table 5.8 shows, the pre to post test change was statistically significant. The t value of -2.1708 was significant at

$p \leq .05$, which, simply stated, means this sort of pre to post test difference would probably occur by chance less than one in twenty times when making such measurements. In other words, there is little doubt that test city employers became more negative and control city employers more positive on this Factor.

TABLE 5.8

Comparison of Test Control Differences on Factor 1

Respondents' Attitudes Toward The Government's Role

*means of differences

Test	Control	Mean Difference	T Value	DF
-1.30	1.94	6.12	-2.17	23

*Based on total scores for all six items.

Table 5.9 presents the individual items which comprise Factor 3. The reader can see for himself that most of the items changed in a favorable direction in the control city and in a negative direction in the test city. In analyzing the table we would again remind the reader that a high mean score is positive agreement with the statement and a low score disagreement with the statement. A score of exactly 4.0 is the point of neutrality. Also, it is important to note whether the item is phrased negatively or positively. For example, a low score on a negatively phrased item is a positive finding, i.e. the respondents' disagreed with the negative statement. Thus both in the test city and the control city, employers were inclined to believe that job seeker quality had deteriorated over the preceding ten years and this view became prevailing over the last few months.

TABLE 5.9

COMPARISON OF TEST AND CONTROL GROUP
ON FACTOR I ITEMS: PRE AND POST TEST

"Attitudes Toward The Government's Role
In The Functioning Of Local Labor Markets"

ITEM		TEST CITY Pre Test	TEST CITY Post Test	CONTROL CITY Pre Test	CONTROL CITY Post Test
3. Most government sponsored hiring and training programs are of little benefit to employers.	mean	3.77	4.14	3.80	3.15
	sigma	1.84	1.78	2.02	1.98
4. There are already sufficient equal opportunity regulations and manpower training programs; what is lacking is a real desire on the part of these people to work.	mean	5.24	5.44	5.72	4.90
	sigma	1.92	1.70	1.66	2.17
5. Most businesses in this area are doing their fair share to help alleviate the unemployment problems of veterans, minorities and other special groups.	mean	5.05	5.41	5.76	5.80
	sigma	1.58	1.49	1.37	1.50
6. The applicants who apply for a job today are not as good as those of ten (10) years ago.	mean	4.41	4.00	4.36	3.75
	sigma	2.03	2.08	2.30	2.28
9. President Nixon's Executive Order #11598, requiring all government contractors to place their job openings with the state Employment Service is an unwarranted invasion of private enterprises.	mean	5.10	5.19	5.12	5.00
	sigma	1.95	1.87	2.23	2.28
10. The state Employment Service devotes most of its time and efforts to finding jobs for special applicants, such as veterans and minorities.	mean	3.63	3.87	3.20	2.90
	sigma	1.64	1.54	1.86	1.73
11. Most persons receiving unemployment insurance benefits do not make sincere efforts to find another job.	mean	5.35	5.23	5.12	4.85
	sigma	1.81	1.82	1.84	1.91

Item 9 concerning mandatory listing of job openings specifically reflects the respondents' attitudes toward Executive Order 11598. The test city was very negative in pre test and became slightly more so by the time of post test. The control city was also very negative at pre test and became only slightly less negative at post test. This continued employer negativism toward the Order in both cities may indicate that, in the long run, this Order may harm relations with employers, a misfortune which could outweigh any short-run gains in job openings that the Order might engender.

Item 11 indicates the pre and post test negativism of employers in both cities toward the U.I. claimant. In our day-to-day contact with employers, we found that most were quite emotional on this particular subject. They generally expressed the feeling that many persons collecting U.I. benefits did not deserve them and that most claimants wanted to collect all their benefits before seeking employment. Many employers in the test city went so far as to compare unemployment insurance benefits with welfare payments--a very invidious comparison in view of their expressed hostility toward the public welfare system.

We now turn to the important issue of how the negativism of test city employers on Factor 1 may have affected their attitudes toward the local office.

There was a very positive correlation between the test city employers' attitudes toward government intervention in the local labor market (Factor 1) and their attitudes toward the quality of services delivered by the local office (Factor 3) ($r = .346$ which is very statistically significant at $p < .0005$). This means that the employers' negative attitudes toward government participation

in labor market activities adversely affects their attitudes toward the quality of services provided by the test city local office. This explains why the test city was more negative on Factor 3 at the time of the post test. This negative attitude toward the government role, based on the items composing the Factor, does not appear to have a direct relation to the local offices' services. However, at the same time, this attitude introduces a negative bias in the test city employers' estimation of the quality of services in the local office. Although this should not be regarded as a failing on the part of the test city local operation or the Demonstration, it also should be seen as an important bearing on the challenges confronting the Project.

Factor 1 was also positively correlated with Factor 2, the employers' attitude toward using the services of the local office ($r = .169$ which is statistically significant at $p \leq .025$). This correlation was much less significant than that between Factors 1 and 3 and did not as negatively impact Factor 2. In the absence of this negative influence, Factor 2 might have become positive in the post test, e.g. test city employers having a positive attitude toward using the services of the local office.

To summarize this section, the control city employers were more positive about using the services of the local office and more positive about the quality of these services, than were test city employers toward their local office. A part of the reason for this difference was the relatively more favorable attitude of the control city employers toward Factor 1, government intervention in the functioning of the local labor market. In the test city, employers were inclined to translate their negativism about the role of government in the labor market to their bias against

the local office and its services. On the other hand, the less critical attitude of control city employers toward government's intervention in the labor market was reflected in their inclination to be more charitable toward their local office and its services.

EMPLOYERS' RELATIONS WITH THE LOCAL OFFICE

Chapter IV contains considerable evidence that test city employers began to place a much greater volume of openings with that local office once the Demonstration became fully operative. The absolute change in openings and placements in the test city was much greater than in the control city and all of this occurred despite more favorable economic and operational conditions in the control city. Yet, in the previous section of this chapter it was evident that employer attitudes in the control city were more favorable to their local office, than were employer attitudes in the test city. It was noted that an exogenous variable--employer attitudes toward government intervention in the functioning of the labor market--became more negative in the test city. Correlational analysis showed that this change would account for some of the differences between employer attitudes toward the local offices in the two cities, but certainly not all.

There is really no incongruity in the findings that test city employers placed a much larger volume of openings with the local office without having experienced any really positive change in attitude toward this office. In the first place, as we stressed at the beginning of this chapter, all of the employer sample population had not been exposed to the Employer Services program. Also, it is not at all unusual for behavior to change in response to a change in the environment, e.g. the new Employer Services

emphasis in the test city local office, without a corresponding change in attitudes. Attitudinal change most often follows behavioral changes; if test city employers continued to use the local office, and with some favorable results, in time we would expect a change in attitudes toward this office.

To gain more understanding as to what impact the Demonstration had on employers, we'll briefly study their relations with the local offices which is a far less complicated and involved index than is their attitudes toward the offices. In studying this section, the reader should note the disparity in sample sizes between the test and control cities. The pre test employer sample in the control city was 182; this was dropped to 145 for post test. In the control city the pre test sample was 25 employers, with one employer randomly chosen to fill each key cell of the employer sample selection matrix (Chart 1.2, p.23). In post test this sample declined to 20 employers.

This relatively small and randomly selected control city employer sample presents no problems in making comparisons on attitudinal items, an instance partially due to the nature of attitudinal data and the rigor of our statistical design. However, using such a small sample to make comparisons of simple frequency distributions give rise to a greater problem. This is especially true where the distribution has several response categories. In reviewing many of the distributions, the reader will note many zero response categories for the control city. These zero responses are primarily due to the smaller sample size. However, since it is the changes in the test city that are of primary interest, comments, in most instances, have been limited to the major differences between test and control response patterns.

How Employers Rated Their Relationship With The Local Offices

Table 5.10 depicts how employers rated their relationships with their local office. In both the test and control cities, the ratings were generally good. In the test city, 44 percent of the employers rated the relationship as good or better. In the control city, 75 percent rated their relationship with the local office as being good or better. In each city, less than 5 percent rated their relationship with their respective local offices as poor or very poor.

There was little change in either city in the ratings from pre to post test. The employers in the control city were inclined to regard their relations with their local office as somewhat better in the pre test stage than were employers in the test city.

TABLE 5.10

Employers' Rating Of Their Relationships With The Local Offices
Post Test

	TEST CITY		CONTROL CITY	
	Number	% of Total	Number	% of Total
Excellent	23	15.9	7	35.0
Good	41	28.3	8	40.0
Average	29	20.0	2	10.0
Poor	3	2.1	1	5.0
Very Poor	1	0.7	0	0
No Relationship	48	33.1	2	10.0
TOTAL	156		20	

Note: Percentages are rounded off.

Employers' Rating Of Applicants Referred By The Local Office

A preliminary Project report[3] indicated the quality rating assigned by employers to the applicants referred to them by local offices. Table 5.11 compares the changes in the test city from pre to post test. The findings are not exactly comparable in that the pre test questionnaire had no time frame on the items, while the post test dealt with applicants referred during the last eight months, February through September of 1970. This difference also accounts for the greater number of "none referred" responses. In general, test city employers rated applicants slightly higher from pre to post test.

TABLE 5.11

Employers' Rating of Applicants
Referred By The Test City Local Office

	PRE TEST		POST TEST	
	Number	% of Total	Number	% of Total
Excellent	1	0.6	0	0
Good	13	17.1	15	10.3
Average	58	31.9	25	17.2
Poor, but acceptable	21	11.5	8	5.5
Unacceptable	14	7.7	10	6.9
None referred	76	41.2	87	60.0
TOTAL	182		145	

Note: Percentages are rounded off.

In post test, control city employers rated 35 percent of the applicants as average or good, 60 percent "none referred", and only 5 percent as unacceptable. In the pre test, the control city had a much higher mean rating of applicants, based on a scale from 5 (excellent) to 1 (unacceptable); the control city mean was 2.56 as compared to a very low 1.58 in the test city. This pre test difference was statistically significant at $p \leq .001$, a very definite difference that could have occurred by chance only one time in one thousand. The mean score increased for both cities; 2.7 in the test city and 3.3 in the control city. This mean cannot, however, be accurately compared with the pre test mean because a new computer program was used for frequency distributions which calculated the mean data somewhat differently than the program used for pre test calculations. The different calculation tended to inflate the mean as compared with the pre test calculation. However, it does appear that test city employers' ratings of the applicants referred to them did improve slightly from pre to post test.

The fact that employers in the control city rated applicants referred by their local office higher than did employers in the test city, helps explain why the control city was more successful than the test city in turning job openings into placements. As there really appears to be no major difference between the applicants registered with the two offices, we must conclude that the difference in quality of referrals resulted from differences in their respective placement operations. As previously mentioned, the placement operation in the control city had a larger staff and was better organized and controlled.

Employer Transactions With The Local Offices

Table 5.12 shows the percentage of their total job openings that employers placed with their respective local offices. The data is too sketchy on the control city to permit much comment. In the test city, there was a slight improvement from pre test; in pre test only 10 percent of the employers placed more than half of their openings with the local office; in post test this increased to 11 percent. There were no changes of any significance from pre to post test in the control city.

TABLE 5.12

Percent of Job Openings Placed With The Local Offices

POST TEST

	TEST		CONTROL	
	Number	% of Total	Number	% of Total
None placed with State ES	77	53.1	7	35.0
Up to 10%	31	21.4	5	25.0
Up to 25%	4	2.8	0	0
Up to 50%	9	6.2	2	10.0
Up to 75%	5	3.4	0	0
More than 75%	11	7.6	1	5.0
Had no job openings to place	8	5.5	5	25.0

Note: Percentages are rounded off.

In both cities it is obvious from Table 5.12 that even those employers who used the local offices did so for only a small portion of their total job openings. In the test city, only 30 percent used the office for 50 percent or less of their openings. In the control city, 35 percent of the employers used their local office for 50 percent or less of their openings.

Table 5.13 presents the skill level categories of job openings employers placed with the test city local office, both pre and post test. The data indicates a slight improvement in the kind of openings employers placed with the test city local office, consistent with the findings in Chapter IV which also showed a very slight improvement in the quality of openings placed with the local office.

TABLE 5.13
Job Categories Placed With The
Test City Local Office

	PRE TEST		POST TEST	
	Number	% of Total	Number	% of Total
None placed	123	67.6	81	55.9
Skilled factory	8	4.4	13	9.0
Unskilled/semi-skilled factory	25	13.7	29	20.0
Clerical	23	12.6	23	15.9
Managerial and professional	4	2.2	8	5.5
Unskilled service (dishwasher, etc.)	8	4.4	10	6.9
Skilled service (mechanic, etc.)	10	5.5	11	7.6
Technical (rate clerk, (IBM operator)	5	2.8	6	4.1
Other	6	3.3	9	6.2

Note: Percentages are rounded off.
Figures do not add up to 100% as respondents could check more than one category.

The frequency distributions for the control city were very similar to those found in Table 5.13. Both offices received very similar job openings from their respective employers, both before and after the Demonstration. In summary, by the time of the post test there was a slight improvement in the kind of job categories listed with the local offices in both cities.

TABLE 5.14

Hiring Channels Utilized By Employers For Hourly Employees During the Demonstration Period-Post Test

	TEST CITY		CONTROL CITY	
	Number	% of Total	Number	% of Total
State ES (Local Office)	54	37.2	10	50.0
Hiring at facility (walk-ins)	77	53.1	8	40.0
Referrals by employees	100	69.0	11	55.0
Private (fee) agencies	29	20.0	5	25.0
Non-fee, private association	32	22.1	0	0
Schools (public, trade, colleges, etc.)	47	32.4	4	20.0
Media (newspapers, etc.)	69	47.6	3	15.0
Union hiring halls	10	6.9	4	20.0
Nonprofit community agencies	22	15.2	1	5.0
Other	5	3.4	3	15.0

Note: Percentages are rounded off.
Figures do not add up to 100% as respondents could check more than one category.

Table 5.14 describes the hiring channels used by employers in both cities, during the period of the Demonstration. In both cities gate hiring (hiring at facility and referrals by employees) was the most important channel for hiring hourly rated employees.

Table 4.4 Chapter IV has pre test data for both cities. Judgements on changes in ordinal items in the control city should be avoided because of the relatively small pre and post test samples. We will only comment on the test city, where most categories showed a slight decline in the post test period. (This may only be due to respondents not taking the time to carefully respond to each item on the questionnaire.) Interestingly, in both pre and post test questionnaires, 37 percent of the respondents checked the local office as a source for hourly rated workers.

The employers in the test city gave slightly different responses to several ordinal items, but we can estimate that prior to and during the Demonstration about 40 percent of them used the services of the local office. The figure in the control city dropped from 79 to 50 percent and while this data is questionable, it would appear that a large proportion of employers in the control city used that local office during the Demonstration--we estimate from their responses about 60 percent. As mentioned in Chapter IV, the control city had a much smaller and more concentrated employer market and, thus, local office staff made more personal visits. This undoubtedly accounts for the more extensive use of the control city local office by its employer community.

In summary, there were relatively few major changes in the behavior of employers dealing with the two offices. Employers placed about the same percentage of their total openings, placed similar kinds of jobs, and relied on basically the same array of hiring channels.

Employer Services Activities

This section examines the post test data, e.g. what Employer Services activities occurred during the Demonstration and how they were received by employers.

Employer Visits. The greater local office staff resource, smaller employer population and greater concentration of employers in the control city is clearly revealed by the data. In the test city only 11 percent of the employers had received 3 or more visits during the nine months of the Demonstration. In the control city 75 percent had received three or more visits in this same time period! Even considering the inadequacies of the control city sample, this is an overwhelming difference. In the test city 60 percent received no visit at all as opposed to only 10 percent in the control city.

Employer Promotional Telephone Calls and Mailings. This data again illustrates the staffing advantages of the control city as contrasted with the test city. As a result of the help of the Project, 63.4 percent of the employers in the test city received at least one promotional telephone call or mailing, compared with 85 percent in the control city without the assistance of a Project. In other words, in the test city nearly 40 percent of the employers received neither a call or mailing, despite the Project's presence, while only 15 percent of the employers in the control city had not been contacted in anyway by the local office.

Mere volume of employer contacts does not determine their program value. The payoff lies in the end results attributable to them. Table 5.15 depicts the employers' perceptions of the results of contacts made during the Demonstration in both cities.

Consistent with our other data, 40 percent of the employers in the test city reported no contact of any kind by the local office, as opposed to only 15 percent in the control city. However, a very similar percentage in both cities placed job orders as a result of the contacts; this is the figure that really counts.

TABLE 5.15

Respondents' Perceptions of the Results of Contacts from the Local Offices (Post Test)

	TEST		CONTROL	
	Number	% of Total	Number	% of Total
Strengthens Relationships with ES	16	11.0	3	15.0
Participation in a job training program	1	0.7	0	0
Better understanding of ES services	51	35.2	13	65.0
Placed a job order	19	13.1	3	15.0
Service provided was of value	19	13.1	2	10.0
No contact	58	40.0	3	15.0

Note: Percentages are rounded off.
Figures do not add to 100% as respondents could respond to more than one category.

In the control city a large percentage (65 percent) of employers reported that the contact resulted in a better understanding of the local office's services. The implications of this particular data need to be carefully explored. They seem to provide some evidence that the selective approach to contacting employers (See Chapter III) is more effective than the multiple contact approach. The control city made approximately 80 visits per week, while the test city made only slightly more than 80 per month. Also, the control city made more promotional telephone calls and sent out more mailings than the test city. However, in the test city about the same proportions of contacts resulted

in employers placing openings as in the control city. As Chapter IV clearly documents, the test city was much more successful than the control city in gaining job openings.

It would appear that the test city's carefully planned and conducted 80 visits per month were more productive in gaining job listings than the control city's multiple monthly contacts. However, the greater volume of contacts does appear to have resulted in better relations with employers for the control city local office, if not in a greater volume of actual transactions.

Aside from obtaining job openings, the local office's contacts with employers should result in some services which are of value to the employers. Table 5.10 deals with employer responses to the services provided to them by both local offices during the Demonstration period.

The finding that 56.6 percent of employers in the test city and 40 percent in the control city did not use the local offices' services is consistent with our overall data. That is, about 60 percent of the employers (in the sample) in the test city and 40 percent in the control city did not use the services of their respective offices. The responses to many of the ordinal items are slightly different, such as the 56.6 percent figure above, but this undoubtedly results from the degree of care exercised by employers in going over each category on a given item. Since this complicated questionnaire was self-administered, the high degree of consistency in the responses tend to support the view that most respondents did respond with reasonable care. Once again, we must urge caution in evaluating the control city responses from such a limited sample.

TABLE 5.16

Respondents' Perceptions of the Value of Services Provided By The Local Office (Post Test)

	TEST		CONTROL	
	Number	% of Total	Number	% of Total
Did not use services	82	56.6	3	40.0
None of services used of value	5	3.4	0	0
Placement services	48	33.1	9	45.0
Provision of wage and other LMI	11	7.6	3	15.0
Guidance on special hiring practices	6	4.1	0	0
Development and follow-up on OJT contracts	0	0	0	0
Assistance with personnel policies/ practices	2	1.4	1	5.0
Manpower Services (technical services)	1	0.7	1	5.0

Note: Percentages are rounded off.
Figures do not add to 100% as respondents could respond to more than one category.

A very favorable finding is that only 3.4 percent of the employers in the test city thought the services provided no value. In both cities, the service most highly valued was placement; 33.1 percent in the test city checked this category and 45.0 in the control city. Interestingly, the provision of wage and other labor market information was the next most highly rated service. The data is too meager on the other categories of service to come to any meaningful conclusions. What this data does clearly show is that the service of most importance to employers is the screening

and referral of applicants, i.e. placement services. Everything else was deemed of relatively minor consequence, in test and control cities.

Activities Which Led Employers To Use The Local Offices

The data collected for determining which local office activities led employers to use the local offices during the period of the Demonstration, is, unfortunately, not very conclusive. This is especially true in the control city because of that very limited sample of employers. But, even in the test city the results are not very conclusive. The main reason for this was the large number of responses (11 response categories in Items 11 and 12 of the post test employer questionnaire). Also, many employers either were "using it all along" or "not at all," so Items 11 and 12 were of no meaning to them. In the test city nearly 75 percent reported either "using it the same all along," or "not using them;" the figure was identical in the control city. Thus, only 25 percent of the samples in both cities began using the local offices during the Demonstration period.

In the test city the two major reasons for using the services of that local office (employers could check more than one response on Item 11) were a visit from the Employer Services Unit (8.3 percent), and receiving a brochure (10.3 percent). Only 1.4 percent checked television as the reason; 2.8 percent checked radio; 3.4 percent promotional telephone calls; 3.4 percent better quality of applicants; and, only 2.1 percent checked Executive Order 11598. The control city data is extremely limited 4 (20 percent) checked a personal visit from the Employer Services Unit;

1 (5 percent) checked better quality applicants and 1 (5 percent) checked the Executive Order.

On Item 12, which requested the employers to choose the primary influence for starting to use the test city local office's services, the approximately 25 percent who did respond showed the following distribution of factors influencing their action:

- 5.5 percent checked having received a personal visit
- 4.8 percent checked having received better applicants
- 2.8 percent checked having received a brochure
- 6.2 percent didn't respond to Item 12 on the Employer Questionnaire
- Thus, less than 6 percent checked one of the other six categories of Item 12 (See Appendix II, Employer Questionnaire).

In the control city 4 (20 percent) checked having received a personal visit, and 1 (5 percent) checked Executive Order 11598.

As Chapter III indicated, one of the more extensive aspects of the Demonstration Employer Services Model was contacting employers by other than direct visits. The data we just received does not prove the usefulness of media in obtaining job listings from employers. Television, radio, press releases, etc. were of very minor consequence. The only media which showed an impact in our data were the specially prepared brochures on the local office's services.

However, we cannot conclude from this brief and sketchy analysis that media are of no importance in obtaining job openings and in building better relations with employers. There were far too many limitations on our analysis to come to any definitive

conclusions on this area of activity and the time period was too short to properly judge the impact of media. The fact that only 25 percent of our samples could respond to items 11 and 12 reduce the N for the test city to approximately 31 employers and to only 5 in the control city! In the last section of this chapter we will make extensive use of correlational analysis to try to gain a clearer understanding of why employers use or don't use the services of the local office.

Before we move on to the final major section of this chapter attention needs to be given to some reasons why employers may have stopped using the office during the Demonstration period.

Because a large proportion of that small sample in the control city responded to the first two categories of Item 13 ("still use ES," or "never used them"), the remaining sample was too small to be valid for analysis. It is not possible therefore to examine this consideration in the control city.

In the test city slightly over 77 percent of the sample also responded to the first two categories of Item 13. The remainder of respondents gave the following reasons for having stopped using the services of the test city local office (a respondent could check one or more reasons):

- 9 percent (13 responses) - poor quality of referrals
- 5.5 percent (8 responses) - could not fill my orders
- All other categories on Item 13 were under 1 percent (14 responses)
- 8 percent did not respond
- This means that only 21 sample employers reported having stopped using the office and the 21 made 35 responses; some of the 21 had more than one reason for this action.

These findings, meager as they are, are consistent with all our findings. They dramatize the importance employers place on quality applicants and the effective delivery of placement services.

THE BEHAVIOR OF EMPLOYERS TOWARD THE LOCAL OFFICE

This is an important section of the report, in that it attempts to develop a composite pattern of employer behavior toward an Employment Service local office. Table 5.17 depicts the correlations between employer relations, transactions, attitudes, and Employer Services activities. This table and all of the analysis is based only on test city data. Understanding the discussion of employer behavior will be facilitated by frequent reference to this table. The large sample size in the test city has given us some very high correlations between items, most of which are very statistically significant.

It is necessary at this point to recall the Project's operational goals: increasing job openings and improving employer relations. The experience in achieving these goals has been thoroughly documented and discussed in Chapters IV and V. This section attempts to uncover some of the basic and underlying reasons behind the changes in the dependent variables. Two items in Table 5.17 parallel our Project goals; Item No. 1 the percent of orders an employer places with the local office; and Item No. 3 the employer's rating of his relationship with the local office. Our analysis will begin by examining what led to changes in these two key items.

Before proceeding to the discussion, it should be stressed that the analysis is based on correlations between the key dependent and independent variations. For those readers not

TABLE 5.17 INTERCORRELATIONS OF EMPLOYMENT SERVICE--EMPLOYER RELATIONS ITEMS AND COMPOSITE SCORES ON 3 ATTITUDINAL FACTORS

Items	Items							
	1	2	3	4	5	6	7	8
1. Percent of job openings placed with local office		.65	.47	.34	.36	.03	.36	.13
2. Employers' rating of quality of applicants			.56	.49	.40	.07	.40	.27
3. Employers' rating of relationship with local office				.34	.30	.05	.38	.17
4. Volume of employer visits					.52	.15	.20	.22
5. Volume of PIC and mailings						.14	.24	.08
6. Attitude toward government intervention in labor market (F1)							.17	.35
7. Attitude toward using services of local office (F2)								.11
8. Attitude toward quality of services of local office (F3)								-

Test City Employers Only;
Post Test N=145

Where $r \geq .134$, $p \leq .05$
Where $r \geq .159$, $p \leq .025$
Where $r \geq .189$, $p \leq .01$
Where $r \geq .208$, $p \leq .005$
Where $r \geq .264$, $p \leq .0005$

familiar with the nature of correlational analysis, it must be clearly understood that while correlational analysis shows us the degree to which variables are related, as given by the correlation coefficient (r), it does not show us how variables are related. In other words it does not specify cause and effect relations.

In our discussion we are making the very reasonable assumption that job openings and relations with employers are the dependent variables, dependent on most of the other items in Table 5.17. As correlation analysis tells us how closely the variables moved together, it allows us to make some judgments as to which independent variables had the greatest impact on our dependent variables. This procedure may be adequate for our purposes, but to truly establish a cause and effect relationship between the dependent and independent variables would require the use of multiple regression analysis. Unfortunately, much of our data is not suited to such an analysis. Again we urge some caution in interpreting the findings in this section.

What Factors Would Cause Employers To Use A Local Office More Intensively?

Our analysis revealed five variables which appear to influence an employer's use of a local office's services. Each of the five variables was highly correlated with the dependent variable and all were statistically significant at $p \leq .0005$ level ($r \geq .264$ on Table 5.17).

1. The quality of applicants referred to the employer correlated very highly with the percentage of his job openings the employer placed with the local office. It was by far the most

significant influence in his decision to use the local office more intensively, i.e. to place more job openings.

2. The employer's rating of his relationship with the local office was the next most highly correlated variable with the percentage of job openings placed with the local office. An employer's perception of the quality of his relationship to the local office appears to be an important factor in determining how intensively he uses the office. Contrary to the views often expressed by operations people in the Employment Service, employers won't necessarily use the local office "just because it's there;" their feelings, perceptions and attitudes toward the office are important.

3. The employer's attitude toward using the services of the local office (Factor 2) was another variable which correlated highly with this dependent variable. To reinforce the point made in the previous paragraph, employer attitudes cannot be ignored by Employment Services staff who want to improve the volume of job openings and ultimately placements.

4. The volume of PTC's and mailings was also highly correlated with this dependent variable. The fact that this variable was more highly correlated with the dependent variable than was the volume of employer visits is probably unique to the test city local office, where extensive use was made of specially prepared brochures. Also, a PTC preceded every employer visit.

5. The volume of employer visits is the fifth variable which correlated highly with this dependent variable. In most local offices, it would probably correlate more highly with the dependent variable, than would the volume of PTC's and mailings.

To briefly summarize this section, five variables correlated very highly with the dependent variable, the percentage of job openings an employer places with the local office. Of crucial importance was the quality of applicants referred by the local office. It would not be inferring too much to say that improving the quality of applicants referred to employers is a local office's most potent weapon for increasing job listings. It is, in reality, the most important "employer service" that can be rendered employers.

What Factors Would Cause An Employer To
Highly Rate His Relations With A Local Office?

Four variables appeared to influence an employer's rating of his relations with the local office. Each of the four correlations was very statistically significant. These four variables were, in order of importance:

1. The quality of applicants referred to the employers (once again the most important influence).
2. The employer's attitude toward using the services of the local office.
3. The volume of employer visits.
4. The volume of promotional telephone calls (PTCs) and mailings.

The variables which influenced this dependent variable are the same that influenced the percent of job openings an employer placed with the local office. The quality of applicants referred is again of primary importance in influencing a major dependent variable. Admittedly, the Model becomes somewhat tautological; the employer's rating of his relations with the local office being influenced by his attitude toward using the services of the office.

Each of the independent variables we discussed were, in turn, highly correlated with other items in Table 5.17. At this point we'll try to place them in proper relation to one another and the dependent variables.

An Employer's Decision To Use A Local Office

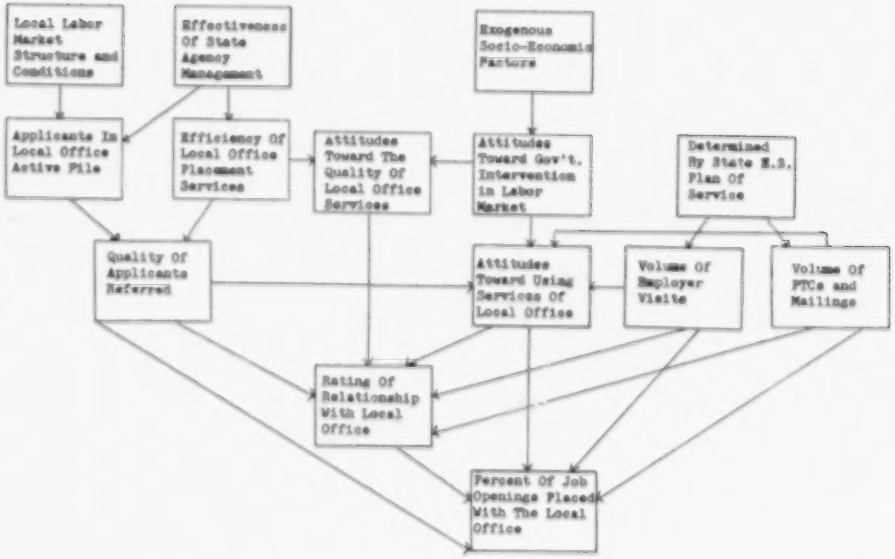
Figure 5.1 graphically shows the variables and their interrelationships that influence an employer in deciding on how intensively to use the local office. As Figure 5.1 shows, there are many variables which directly or indirectly influence this key decision.

This Model tries to place each variable in its logical position; it is directly tied to those variables with which it most highly correlates and is depicted in the cause and effect relationship that operating experience suggests. For instance, attitudes toward government intervention in the local labor market (F1) did not correlate highly with the two major dependent variables; however, it did correlate highly with some of the independent variables and it is depicted in this context in Figure 5.1.

While there are many limitations to this approach,[4] it does provide more insight into what happens between employers and a local office than do static frequency distributions. As the variables influencing the two major dependent variables (percent of job openings placed and rating of relations) have been discussed, this current discussion will be limited to the relationships between the independent variables. However, Figure 5.1 does depict one aspect of the employer-local office relations that needs comment. The employers' rating of relations with a local office is much more dependent on their attitudes than is their decision to place a greater percentage of job openings with the office. The

FIGURE 5.1

AN EMPLOYER'S DECISION TO PLACE JOB OPENINGS WITH AN E.S. LOCAL OFFICE: A MULTIPLICATIVE MODEL


Local Labor Market Structure and Conditions
Effectiveness Of State Agency Management
Exogenous Socio-Economic Factors
Applicants In Local Office Active File
Efficiency Of Local Office Placement Services
Attitudes Toward The Quality Of Local Office Services
Attitudes Toward Gov't. Intervention in Labor Market
Determined By State E.S. Plan Of Service
Quality Of Applicants Referred
Attitudes Toward Using Services Of Local Office
Volume Of Employer Visits
Volume Of FTCs and Mailings
Rating Of Relationship With Local Office
Percent Of Job Openings Placed With The Local Office

decision to place job openings is dependent on the employers' attitudes toward the office but much more on tangible matters, such as the quality of applicants referred to him.

The key to all these relationships is a variable not depicted in Figure 5.1--the influence of time. As attitudinal change usually requires more time than behavioral change (placing an opening), an improvement in employer attitudes and rating of their relationship to the local office will lag behind their actually placing more openings with the office. However, since these attitudes also influence the employers' decisions to place openings, if they don't improve, there will be a reversal in the volume of job listings.

The volume of visits, PTCs, and mailings are determined by a state Employment Service's Plan of Service. The volume of employer contacts is assumed to be a function of the state agency's Plan of Service, with program budgeting and organizational structure determining which resources will be available for Employer Services activities.

Attitudes toward using the services of the local office (P2) was a major influence on both key dependent variables. In turn, this variable was influenced by the volume of employer contacts, the quality of applicants referred, and attitudes toward government intervention in the functioning of the local labor market (P1).

While the employers' ratings of the quality of applicants referred was a major influence on many dependent and key independent variables, it appears to be a function of several variables outside of the employer community. In Figure 5.1 the quality of applicants referred is expressed as a function of local labor market structure

and conditions and the level of effectiveness of the state agency's management system.

One variable not depicted in Figure 1 is the employers' attitude toward the quality of services provided by the local office (Factor 2). Several variables influence this Factor, including the quality of applicants referred, the volume of personal visits, and the employers' attitudes toward government intervention in the local labor market (F1). However, this variable did not have any significant impact on the dependent variables or the major variables which influenced the dependent variables. In brief, it was not a direct influence on an employer's decision to place job listings with the local office.

As Chapter VII contains a summary of our significant learnings and this chapter has summarized in each section, we will now proceed to the impact of the Demonstration on local office operating staff.

Footnotes

1. Giblin and Palmeri, Op. Cit.
2. L. J. Cronbach, "Coefficient Alpha and the Internal Structure of Tests," Psychometrika, 1951, 16, pp. 297-334.
3. Giblin and Palmeri, Op. Cit., pp. 49-57.
4. The use of correlational analysis for determining the influence of independent variables on dependent variables has its methodological limitations. However, this approach has been used by several leading practioneers and researchers in the field or organizational development. For instance Rensis Likert, in The Human Organization, Op. Cit., uses this approach.

CHAPTER VI

LOCAL OFFICE STAFF VIEWS ONE YEAR LATER

The substantive program goal of the Project was to increase the quantity and quality of jobs listed with the local office by increasing job listings and enhancing relations with employers. Since the success of the Demonstration would be affected directly and indirectly by local office staff attitudes, it was deemed useful to conduct a pre test survey of local office staff attitudes toward the agency and its role, their jobs, and several other key matters. The pre test survey[1] indicated that there were no unusual or widespread problems with local office staff which could adversely affect the Demonstration.

The decision to do a post test survey stemmed from our curiosity over how new program changes, e.g. Job Bank, might affect the morale of local office staff. We were especially anxious that Project engendered activities, while benefitting the agency, not be regarded negatively by the staff. In other words, we were concerned with the traditional conflict of organizational effectiveness as "the ability to achieve goals" and efficiency as "the ability to maintain the human organization."[2] We will use these definitions in our discussion of staff attitudinal changes. For instance, many organizations achieve their goals in the shortrun, but with a great loss of staff loyalty and morale. Such organizations might be effective, but not efficient. Project staff felt that many of the disruptive program changes and shifts in priorities within the Employment Service over the years had been reasonably effective, but at great loss of efficiency. This loss of efficiency was partially to blame for the relatively ineffective performance of the Employment Services system.

While the evidence is somewhat inconclusive, it does seem that as the test city local office became more effective, at least in achieving program goals outlined by the Project, it became less efficient in terms of staff identification and acceptance of programs. In fact, post test measurements showed that staff in both cities had become somewhat more negative on almost every attitudinal item.

This loss of efficiency appeared to result from federal level actions such as the installation of Job Bank; the abrupt program goal shift back to quality placements; and the threat which budget cuts posed to job security. Project-induced changes appeared to have neither a negative nor very positive impact on local office staff.

REVIEW OF PRE TEST FINDINGS AND CHANGES IN METHODOLOGY

Review of Selected Pre Test Findings

The pre test analysis resulted in the interpretation and preliminary specification of the following four factors:

Factor 1. This factor represented the respondents' attitudes toward their jobs as measured by nineteen related items. Both groups were positive on this factor but the control group more so, at a statistically significant level ($p < .025$).

Factor 2. This represented the respondents' attitudes toward Job Bank as measured by ten related items. Respondents in both cities were positive on this factor with the test city more positive, but not at a statistically significant level.

Factor 3. This complex factor, measured by eight related items, was described as the respondents' attitudes toward the agency's role, particularly in providing services to the

non-job ready applicant. The analysis revealed that both groups were positive on this factor.

Factor 4. This factor, measured by eight related items, was also complex and difficult to interpret. It was described as the respondents' attitudes toward delivery a broad array of services to applicants and employers. The test city was more positive on this factor at a statistically significant level ($p \leq .01$).

To summarize the key pre test findings, staff in both the test and control cities had positive attitudes toward their jobs and their new Job Banks, especially the latter. These two factors were extremely clear and easily interpretable. On the other two factors, both generally dealing with the role of the Employment Service and the services it delivers, both groups had positive attitudes. However, these last two factors (Factors 3 and 4) were very complex and difficult to specify, leaving much question as to their usefulness as analytical constructs of basic attitudinal dimensions.*

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* Concern over the usefulness of Factors 3 and 4 led to some minor alterations in the post test data collection and analysis. On all four factors only the highest (.50 or greater) varimax-loaded items on each scale (factor) were incorporated into the post test questionnaire.** This cut in half the number of items in Factors 3 and 4. Composite scores were recalculated for pre test and calculated for post test using the smaller number of items on each scale (factor). It was hoped that this procedure would clear up these two clouded scales and make them clearly interpretable factors.

In the post test analysis, Cronbach's Alphas[3] were calculated for all four factors. The resulting statistic represents an internal consistency reliability coefficient; simply stated it measures the degrees to which all items making up a factor correlate with one another--how they "hang together." Factors 1 and 2 had extremely high Alpha coefficients indicating that these two scales in fact represented reliable factors. However, Factors 3 and 4 had very low Alpha coefficients, .30 or less, indicating little internal consistency among the items making up the scales. This meant that the scales really didn't represent true factors as specified in the pre test analysis and were measuring many things other than those described by our factor nomenclature.

** See Appendix I for original factor tables and interpretation and Appendix II for post test questionnaires.

Changes In Staff Attitudes Toward The Role Of Their Agencies

As a result of further analysis, scales 3 and 4 (supposed Factors in the pre test) are not studied in any detail in this report. To do so would only confuse our findings. However, it was decided to report on changes in scales (factors) 3 and 4 despite their lack of theoretical validity, because the individual items comprising these scales showed the same negative trend as did all the items in the post test measurement. Over the 12-month period between pre and post tests, almost all items showed negative changes. There were no significant differences between the changes in the two cities as measured by t-tests. The analysis showed that to the degree the scale 3 (Factor 3) can be said to measure the respondents' attitudes toward the role of their agency, these attitudes grew more negative during the 12-month period between pre and post test: the pre test recalculated composite score mean for scale in the test city was 4.25 and in the post test 4.02, while the change in the control city was from 4.48 to 4.40. These certainly were changes of minor consequence.

Likewise, to the degree that scale (factor) 4 measures the respondents' attitudes toward their agency's delivery of services to applicants and employers, these attitudes also became more negative. The pre test recalculated composite score for the test group was 5.19 and the post test 4.82. The control group changes from 4.13 to 3.97. Once again, these changes weren't of real significance. Next, some conclusive findings will be presented which will provide some explanations for these negative changes.

CHANGES IN RESPONDENTS' ATTITUDES TOWARD THEIR JOBS

A somewhat disturbing finding was that on Factor 1, i.e. the respondents' attitudes toward their jobs, both groups became more negative. Table .1 shows the changes in the composite score means on this factor for both pre and post test in both cities. An analysis of variance indicated no statistically significant difference between pre and post test measures in either group.

TABLE 6.1

Respondents' Attitudes Toward Their Jobs

Pre Test Post Test Changes

(October 1971 - October 1972)

	TEST CITY		CONTROL CITY	
	Pre Test	Post Test	Pre Test	Post Test
Composite Score Means (Factor 1)	3.92	3.73	4.32	4.20
Sigmas	1.39	1.12	.97	.97
Alphas	.89	.82	.79	.75

The reader should note the very high Cronbach's Alphas indicative of the internal consistency reliability of this factor. The thirteen items measuring the respondents' attitudes toward their jobs can truly be said to "hang together" and do in fact constitute a factor, a measure of the underlying dimensions of the respondents' attitudes toward their jobs. The changes in both cities were small: attitudes in the control city remained positive but less so, and those in the test city indicated indifference or slight negativism. However, attitudes there had been lower than in the control city on pre test.

Table 6.2 indicates that there was no statistically significant difference between the test and control city on Factor 1. While both groups became slightly more negative toward their jobs, neither changed more dramatically than the other.

TABLE 6.2
Comparison of Test Control Differences on Factor 1
"Respondents' Attitudes Toward Their Jobs"
*means of differences

Test	Control	Mean Difference	t Value	DF
-1.5	-.93	-.57	-.11	63

*based on total scores for all 13 items.

Analysis of Items Which Compose Factor 1

In the post test analysis, thirteen items constituted a factor, as opposed to nineteen in the pre test analysis. Table 6.3 shows the means and standard deviations, both pre and post test, for both test and control groups. The pre test data have been recalculated using the thirteen items. A sigma (standard deviation) of about 2.0 is normal for a seven-point Likert scale. Also, in studying Table 6.3, the reader should note that the scale used ran from 7 (strongly agree) to 1 (strongly disagree). The item description indicates if the item was phrased positively or negatively. For instance, Item 1 was positively phrased and the control city post test mean of 5.44 indicates substantial agreement on that item, a positive attitude.

Table 6.3 does not indicate many severe changes, but rather shows a slightly negative movement on almost all items in both cities. One item that showed a pronounced decline in the test city is 13, which has to do with the physical quality of working

TABLE 6.3

COMPARISON OF TEST AND CONTROL GROUP

ON FACTOR 1 ITEMS: PRE AND POST TEST

ITEM		TEST CITY		CONTROL CITY	
		Pre-Test	Post-Test	Pre-Test	Post-Test
1. Office provides effective services to employers and applicants.	mean	4.52	4.74	5.14	5.44
	sigma	2.14	1.91	1.75	1.77
9. Many applicants presently turned away from the branch office without having received some service.	mean	5.12	5.08	3.86	3.89
	sigma	2.11	1.78	2.13	2.13
12. Lack of privacy in branch office makes it difficult to properly do job.	mean	5.08	5.26	4.32	4.63
	sigma	2.31	2.20	1.98	2.02
13. Working conditions at branch office are, in general, satisfactory.	mean	3.82	2.84	4.93	4.59
	sigma	2.37	1.89	1.96	2.09
15. I usually find myself in agreement with existing policies and practices of stage agency.	mean	4.66	4.18	4.82	4.89
	sigma	1.97	1.79	1.67	1.68
17. I spend too much time performing job duties below my level of competence.	mean	4.36	4.61	4.36	4.81
	sigma	2.20	2.05	1.86	1.83
18. I'm often given job duties and responsibilities without having authority to assure implementation.	mean	4.16	4.13	4.00	3.89
	sigma	2.27	2.24	1.75	2.06
19. At branch office there is equal treatment for all employees.	mean	3.86	4.03	4.29	3.41
	sigma	2.43	2.22	1.93	2.26
20. Role of supervisor should be make decisions and give instructions to me.	mean	4.60	4.53	4.21	4.19
	sigma	2.33	2.21	1.68	2.09

TABLE 6.3

COMPARISON OF TEST AND CONTROL GROUP
ON FACTOR 1 ITEMS: PRE AND POST TEST

ITEM		TEST CITY Pre-Test	TEST CITY Post-Test	CONTROL CITY Pre-Test	CONTROL CITY Post-Test
23. One of the most negative aspects of Civil Service is that it prevents better employees from advancing as quickly as they should, while protecting marginal employees from being discharged.	mean	5.58	5.61	5.04	5.07
	sigma	1.80	1.81	1.68	2.07
24. I often don't get the kind of cooperation from my fellow workers that would enable me to do my job well.	mean	3.14	3.53	3.18	2.89
	sigma	1.97	2.05	1.65	2.01
27. The activities performed by my branch office make a valuable contribution to the community.	mean	5.64	5.45	5.75	6.11
	sigma	1.52	1.74	1.21	.83
28. The Employment Service must be radically changed to become more responsive to applicants and employers or it will eventually be discontinued.	mean	4.72	5.08	4.18	4.77
	sigma	2.18	1.99	2.00	1.95

Control N = 28 (post test), 28 (pre-test)
Test N = 38 (post test), 50 (pre-test)

conditions. The physical plant in the test city has been in deplorable condition for many years. During the period between pre and post test data collection the conditions worsened as the office relinquished space to the U.I. Division and Job Bank Central Control. The staff reaction to this was evidenced by a shift on this item from a neutral range at the pre test time to considerable disagreement with the positively phrased statement at post test time.

Item 9 is of interest as it relates to the differences in staffing between the two offices, a difference which favored the control city. As Table 6.3 shows, test city respondents strongly agreed with this item both pre and post test and agreed that the office turned away many applicants without providing them a service. By contrast, the more heavily staffed control city disagreed with this negative statement, both in pre and post test.

Not surprisingly, both groups were in agreement in the post test that the Employment Service must be radically changed if it is to survive, another indication of their increasing dissatisfaction with the overall system.

CHANGES IN RESPONDENTS' ATTITUDES TOWARDS JOB BANK

The area which showed the greatest change in staff attitudes was Job Bank. To briefly review the situation, when the pre test data was collected, the control city had a Job Bank for about four months and the test city was about to inaugurate its Job Bank. As Table 6.4 indicates, both groups had very positive attitudes toward their new Job Banks. However, at the end of about one year both groups had decidely negative attitudes toward Job Bank.

TABLE 6.4

Respondents' Attitudes Toward Their Job Banks

Pre Test Post Test Changes

(October 1971 - October 1972)

	TEST CITY		CONTROL CITY	
	Pre Test	Post Test	Pre Test	Post Test
Composite Score Means (Factor 2)	4.95	3.66	4.76	3.71
Sigmas	1.28	1.47	1.23	1.17
Alphas	.82	.82	.86	.74

The very high Alpha score indicates the considerable internal consistency reliability of this factor. The seven items which compose the factor correlate highly with one another and certainly appear to represent a stable measure of the staffs' attitudes toward Job Bank.

Scale (factor) 2 was subjected to an analysis of variance. An F-ratio of 17.22, based on both test and control respondents, was very statistically significant at $p \leq .0003$. This means that there was a very statistically significant difference from pre to post test in respondents' ratings of Job Bank, the post test results being quite negative. While the F-ratio measured the pre to post test change for both cities, combined analysis showed no meaningful differences between the two cities. To summarize, in both local offices, there was a very pronounced negative change in staff attitudes toward Job Bank, from pre to post test.

TABLE 6.5

Comparison of Test-Control Differences on Factor 2

"Respondents' Attitudes Toward Their Job Banks"

*means of differences

Test	Control	Mean Difference	t value	DF
-7.03	-7.52	.49	.15	63

*based on total scores of all 7 items.

Once again, while both groups become much more negative on this factor, there was not a significant difference in the differences between the two and the negative trend in both groups was again remarkably similar. These findings leave little doubt that the staffs of two cities, both initially favorable to Job Bank, become quite negative toward it after about a year of operation. In order to better understand why, each item that comprised this factor will be examined.

Analysis Of Items Which Comprise Factor 2

In studying Table 6.6 the reader will notice that both groups became more negative on all seven items. There was a dramatic shift in both groups on Item 4--Job Bank's improving services to applicants and employers--from very positive to slightly negative. In fact, most of the items showed a substantial negative shift. In the pre test, both groups disagreed with the negative statement of Item 25. In other words, they thought Job Bank would be practical for the operations. However, in post test, both groups strongly agreed with this negative statement; they agreed that Job Bank had not proven to be practical for their local office operations.

TABLE 6.6

COMPARISON OF TEST AND CONTROL GROUP

ON FACTOR 2 ITEMS: PRE AND POST TEST

"Respondents' Attitudes Toward Their Job Bank"

ITEM		TEST CITY Pre-Test	TEST CITY Post-Test	CONTROL CITY Pre-Test	CONTROL CITY Post-Test
4. The Job Bank has made a substantial improvement in the way the branch office services both employers and applicants.	mean	5.42	3.74	5.39	3.96
	sigma	1.54	2.24	1.52	1.90
7. The Job Bank has reduced the amount of paper work in the branch office.	mean	4.30	2.50	3.86	2.56
	sigma	2.10	1.96	2.05	1.85
11. The Job Bank has improved job placement activities for the disadvantaged.	mean	4.34	3.03	4.14	3.15
	sigma	1.95	2.08	1.98	1.72
14. The Job Bank has resulted in an increase in job listings.	mean	5.42	4.18	4.96	3.85
	sigma	1.60	2.06	1.45	1.82
21. Employment Service branch offices should be given the authority and responsibility to coordinate all job development activities between other agencies within their local communities.	mean	5.30	4.84	5.21	5.11
	sigma	2.05	2.15	1.74	1.97
25. The Job Bank has not proved to be practical for our branch office operations.	mean	2.94	3.82	3.36	4.96
	sigma	1.83	2.26	1.94	1.90
26. Many employers have become disenchanted with the Job Bank, because it depersonalizes branch office relations with them.	mean	3.18	4.79	3.36	4.96
	sigma	1.88	2.07	1.82	1.55

Control N = 28
Test N = 38

A complaint of Job Bank often made by local office staff is that it will adversely affect relations with employers because it depersonalizes the local office's relations with these employers. In the pre test, both cities disagreed with Item 28, which stated that employers would become disenchanted with Job Bank because of the loss of personal relations. Obviously, neither group was biased against its new Job Bank. However, in post test, both groups strongly agreed with this negative statement.

As mentioned earlier in this volume, both cities encountered considerable early operational difficulties with Job Bank. At the time post test data was collected not all of these difficulties had been resolved. This obviously affected the respondents' attitudes toward their Job Banks, from very positive to quite negative.

RESPONDENTS' ATTITUDES TOWARD THE R & D PROJECT

The Project was especially concerned that the changes it introduced might have an adverse effect on staff morale. As there appears to have been a general decline in morale during the Demonstration period, the question must be asked, was the Project responsible for this adverse side effect? In anticipation of this question, four items, dealing with local office staff attitudes toward the Project, were added to the post test questionnaire. The results are summarized in Table 6.7.

The findings were consistent--staff agreed that the Project had improved the office's image and its ability to obtain job openings (Items 29 and 30) both of which were of considerable importance to staff in the local office. They were neutral with regards to the Project's having made an overall improvement in communications within the office (Item 31). This appears

reasonable enough, because despite considerable time and effort devoted to improving intra-office communications, Project staff never felt that it had made any substantive improvement. Also, test city respondents disagreed with Item 32 which was negatively phrased; in other words they felt the Project did have some positive impact on their local office operation.

TABLE 6.7

Test City Respondents' Attitude

Toward The R&D Project

	Item	Mean	Sigma
29.	As a direct result of the MESC-Applied Behavioral Research, Inc. Project, a substantive improvement has been made in the branch office's image, in the business community.	4.32	1.99
30.	As a direct result of the Project (MESC-ABR) the branch's capability to obtain job openings has been improved.	4.55	1.80
31.	As a direct result of the Project there has been an overall improvement in communications within the branch office.	3.92	1.98
32.	The Project has not had a positive impact on any aspect of branch office operations.	3.53	1.90

N = 38

It does appear that local office staff was reasonably positive toward the Project and, thus, the Project's presence would not appear to explain their overall post test negativism.

As it appears that the Project was not the cause of the decline in staff morale, especially as it occurred in both groups, we shall now try to explain the reasons behind this decline.

SUMMARY, INTERPRETATIONS, AND RECOMMENDATIONS

The Meaning Of This Chapter

This is an interesting chapter in that its subject, studying staff, was not the central concern of the Project. The emphasis of the Demonstration and this final report is on program change. Almost all our time and effort was devoted to program oriented goals, e.g. increasing openings, placements, etc. In a very real sense our experience parallels the national experience over the last seven or eight years. The Manpower Administration has engendered numerous and far reaching changes in the public Employment Service, all aimed at accomplishing program goals, whatever those goals were from one year to the next. To an extent this is perfectly reasonable behavior. However, during this entire period there appears to have been an almost total lack of concern for how these endless and disruptive changes were affecting the tens of thousands of Employment Service staff in the field.

There is little question that many persons reading this final report will be concerned with the methods and results of our efforts as related to achieving program goals. Considerable interest along these lines has already been manifested at the federal, regional and state levels. However, we question how many readers will really think it necessary for us to report on how local office staff felt about Job Bank. On the other hand, all would probably be interested in changes in employer attitudes toward Project-induced changes.

In Chapter II of this report, we introduced the notion that the last few years of program upheaval resulted in a liquidation of the system's human assets: its productive capability and customer goodwill have been seriously reduced. In two representative local

offices we witnessed a further deterioration of morale over the last year. It will be tragic if these limited findings are ignored by decision makers at all levels in the federal-state manpower system. Program changes must give consideration to the needs of the organization's participants. For the success of the system in achieving its program goals will not result from computerization, or other technical advances, but ultimately from the productive capability of the system's human resources and the goodwill of its customers.

Summary and Interpretation

To briefly summarize the findings, in the twelve months between pre and post test data collection, there was a negative trend in staff attitudes on all factors and most items. The most negative change was in staff attitudes towards Job Bank. In both the test and control groups the pre-test, very positive, attitude toward Job Bank became negative. Finally, while the R & D Project did not appear to have a positive impact on most staff attitudes, it also did not appear to be the cause of post test staff negativism.

There appear to be three major causes for the negative change in local office staff attitudes. These are:

- The problems associated with the new Job Banks in the two offices
- The recent change in Employment Service goals
- Budget cuts and anticipated lay-offs

In sections of this report we discussed the implementation and on-going problems of Job Bank in the two cities. The dramatic shift in staff attitudes in both groups is indicative of the impact these

Job Bank problems had on staffs. Also, much of the shift in attitudes toward Job Bank probably results from its having been oversold; realistically, it could not live up to staff expectations. As Job Bank represented a major program change in both local offices it certainly must have influenced staff attitudes toward their jobs, their agencies, the delivery of services and other key items. We may assume that in each of these cases the influence exerted by Job Bank tended to be negative.

Although there is no tangible evidence to support this view, we believe that the recent about-face in the goals of the public Employment Service contributed to the post test negativism. The sudden return to a goal of increasing placements and the concomitant emphasis on qualified applicants undoubtedly led to confusion among staff. Several years ago, staff had been directed away from this goal; now, with little rationale, staff was being redirected toward it. This very issue came up during our daily interaction with local office staff. While most were generally positive about returning to a quality-oriented placement service, they were very confused about meshing this goal with current staffing patterns which emphasize employability development of the less qualified applicants. Such conflicts remained unresolved for both test and control city staffs and, perhaps, for most local office staffs.

Finally, and perhaps most critical to staff morale, at the very time post test data was collected both state agencies had received substantial budget cuts. In both local offices there was talk of pending lay-offs and positions vacated by normal turnover were not being refilled. This threat to job security, combined with staff reductions, contributed to staff negativism in both offices.

Recommendations Concerning Local Office Staff

These recommendations are not specifically directed to the test or control local office. They are considered to be generally applicable to all local offices. As such, the recommendations are aimed at broader problems, not specific, and, perhaps unique, operational problems of our test and control offices. Most of these recommendations are intended for policy and program planners at the federal, not local, level. The two broad recommendations we have are: first, stabilization of operations at the local level and second, management recognition of the impact of program changes on staff.

For nearly a decade, a continuing frequent series of changes has been introduced into the public Employment Service. The Manpower Administration has often been attacked by its critics for the slowness of change within the system. At the same time, staff adaptation to programs which rarely seem to crystallize and to organizations which, after brief intervals, undergo change of structure and function cannot be expected to result. Almost yearly, a new approach is outlined for changing the structure and functioning of this institution.

While institutions must undergo change if they are to survive in our dynamic society, they also must have some stability and consistency in operations. A large bureaucracy cannot exist in an environment of endless policy and program change which, in fact, has been the environment in which the public Employment Service has operated.

To those who seek constantly to reform the Employment Service, we would cite President Nixon's dictum on seeking "reforms that work, not reforms that destroy." Once sound policy and program

directions are formulated and introduced at the local level, they must be given time to work. New directions cannot be formulated the next year in response to a "perceived" new crisis. A continuance of these endless and haphazard changes will only result in a further destruction of the system's productive capability.

The second broad recommendation is really a derivative of the first. Most of the policy and program changes given the Employment Service have been in response to human needs: those of women; minorities; the disadvantaged; the unemployed; the returning veterans; etc. All of these efforts represent a concern for people. However, remarkably little consideration has been given to the human needs of staff within the Employment Service. Policy and program changes are made with little concern for their effects on the persons who have to carry out these changes. The failure of new directions is often attributed to the intransigence of Employment Service staff.

Policy and program directions must be determined by the economic and manpower needs of the nation. They can be formulated and introduced however, in a manner which is not destructive of staff capability and morale. For instance, in developing new policy and program guidelines which change the structure and functioning of the Employment Service, care needs to be exercised that their effects on work group relations, status expectations, role expectations and numerous other human variables will not be adverse. To truly improve the effectiveness of the Employment Service will demand much more than a "program letter" approach to organizational change. At the very least, planners must consider not only the programmatic aspects of new policy directions (i.e., how these directions will affect placements, etc.) but must give serious consideration to how the

new direction will affect staff's capability to carry out the necessary changes. Until such an approach to organizational change is manifested at the national level, we foresee little hope of improving cooperation and overall productivity at the local level in the Employment Service.

Footnotes

1. Giblin, Op. Cit.

2. Chester W. Barnard, The Functions of the Executive, Harvard University Press, Cambridge, 1968.

3. L. J. Cronbach, Op. Cit.

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PART III: BASIC INSIGHTS FOR PROGRAM EFFECTIVENESS

Part III of the volume deals with the basic program insights gleaned from the Demonstration experience. It consists of two chapters.

Chapter VII presents basic insights for program effectiveness; for increasing job listings, placements and improving relations with employers.

Chapter VIII reviews some major Employer Services issues that weren't fully explored in the Demonstration, yet are deserving of further study.

CHAPTER VII

BASIC INSIGHTS FOR PROGRAM EFFECTIVENESS

This chapter will present a distillation of the most important learnings (achievements or experiences) based on nearly 18 months of Project activity and observation of forces influencing the local operational setting. We have chosen to refer to it as "basic insights for program effectiveness" rather than the usual "summary and recommendations." Our choice of this title was deliberate. For several reasons, it was not possible, in good conscience, to produce a number of recommendations.

The first difficulty results from the actual experiences of the Demonstration. The original Project goal was to find techniques for increasing job listings. For the most part the necessary techniques were available; they merely required some refinement. These techniques are discussed in Volume I, Chapters II and III, and in even more detail in Volume II of this final report. Thus, there is ample material presented for the person who is interested in a detailed discussion of how we increased job listings. It will be evident to the reader that increasing job listings was neither the most difficult nor the most important achievement. In other words the achievements go beyond the original narrow goals of the Research and Demonstration Project. As a matter of fact, they raise questions about the value of the Project goal itself.

A second problem in making recommendations is the impossible task of simplifying and condensing Project experiences to produce "one liners" on how to solve some of the key problems of the public Employment Service. While many studies take this approach, i.e. one line answers, and it is often commended by so-called policy officers, it tends to be misleading and can do great harm. The

experience of this Project indicates that we do not have any simple and neat solutions to what we perceive to be the complex and very extensive problems which face the public Employment Service.

Finally, much of the goal related learning would suggest major changes in the direction of the public Employment Service. However, with widespread uncertainty as to current program goals it is understandably difficult to suggest "new directions." Unless current goals and priorities of the public Employment Service are clear, which they do not now seem to be, there is little foundation on which to formulate viable recommendations.

Our basic insights are nevertheless a synthesis of our key findings. And, the following discussion of our insights contains the conceptual material for developing many useful recommendations for change. For instance, if the change really desired is to optimize job listings and placements, then one major step would be not to refer marginally or unqualified applicants to employers. Perhaps this one brief example may help clarify why it is necessary to discuss the things learned and not place them in the context of direct policy and program recommendations.

PROGRAM INSIGHT 1

IT IS WHOLLY FEASIBLE FOR MOST LOCAL OFFICES TO ACHIEVE SIGNIFICANT SHORT RUN (UP TO ONE YEAR) INCREASES IN THEIR VOLUME OF JOB LISTINGS, USING AN APPROACH SIMILAR TO THAT EMPLOYED IN THE DEMONSTRATION.*

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* See Volume I, Chapters II, III and Volume II of this final report.

PROGRAM INSIGHT 2

IN MOST OFFICES WHICH EXPERIENCE SIGNIFICANT SHORT RUN INCREASES IN JOB OPENINGS, IT IS HIGHLY PROBABLE THAT THE INCREASE IN PLACEMENTS WILL NOT BE NEARLY PROPORTIONAL TO THE INCREASE IN OPENINGS.

It will help place our experiences in proper perspective if we discuss Program Insights 1 and 2 together. In Volume I, Chapter IV we documented the significant improvement in job listings which appears to have resulted from the Demonstration. We stress that this improvement occurred despite the fact that no attempt was made to optimize the volume of job listings. In fact, the Employer Services Unit devoted about 40 percent of its time and effort to helping fill existing job openings. At certain times, this Unit spent up to 60 percent of its time on this activity and only 40 percent on outside work with employers. This strategy was taken because the local office could not effectively cope with the dramatic short run increase* in job openings. While placements increased far beyond national averages, they lagged behind the increase in openings. It was felt that to engender a considerable volume of openings and then fail to service a large portion of them, would, in time, result in a worsening of relations with employers. These conclusions are the basis for the next several insights.

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* The interested reader should carefully read Chapter IV, if he hasn't already done so.

PROGRAM INSIGHT 3

SEEKING TO ATTAIN DRAMATIC INCREASES IN JOB LISTINGS, IN AND OF ITSELF, IS NOT A WORTHWHILE OR EVEN RATIONAL GOAL FOR MOST EMPLOYMENT SERVICE LOCAL OFFICES. IT MAY EVEN BE SELF-DEFEATING!

This insight will probably strike many readers as tantamount to subversion of the public Employment Service. Officials of the Manpower Administration which has experienced a long period of decline in employer listings of job openings will be inclined to resist this conclusion. However, the fact remains that increasing job listings is only a bureaucratic goal and becomes a service to employers, applicants, and the general community only when the local office can effectively service these additional openings.

Before attempting to achieve goals set up at the federal or state level for increasing openings and placements, the local office manager and his key staff must realistically assess what volume of openings can be effectively serviced by existing staff and facilities. If existing staff and facilities are not adequate it will be necessary to revise these goals downward or request additional resources.

A major increase in job listings has many ramifications for the entire local office. It will lead to increased needs for order takers, Job Bank verifiers, central referral control staff, interviewers, more telephone lines, more record keepings. If, in time, this increase in orders brings more job applicants to the local office, existing staff and facilities may rapidly become even more inadequate, all of which brings us to the next basic insight for program effectiveness.

PROGRAM INSIGHT 4

CHANGES IN POLICY AND PROGRAM DIRECTIONS IN ONE PROGRAM OR OPERATION (SUCH AS EMPLOYER SERVICES) MUST UTILIZE A SYSTEMS APPROACH: OTHER PROGRAMS AND OPERATIONS MUST REFLECT THIS CHANGE IN DIRECTION.

Recently the primary goal of the public Employment Service has become an increase in openings and placements. However, the organizational structure and philosophy of most local offices during the last eight years has not been consistent with this new direction. Over the years, staff increases have been for special client service programs and employability development of the non-competitive applicant who often was not even seeking employment. The philosophy was to develop job opportunities for the least qualified applicant, at the expense of catering to employers, if need be.

In the vast majority of offices, no additional Placement or Employer Services staff was made available to accomplish the new goals. No guidelines were given that would accomplish a redirection of staff from WIN, Employability Development Units, etc. toward Employer Services activities, e.g. increasing openings and placements. No change in policy was announced which would permit less emphasis on MDD activities and more on traditional placement oriented activity. Neither was a rationale given to the rank and file for the change in goals nor the reasons for maintaining the organization as is, rather than changing it to cope with the new goals.

In general it was implied that the Job Bank and JIDS would resolve staff resource limitations in reaching the new program goals. Experiences to date tend to indicate that these technological innovations may only exacerbate the situation. This leads us to the next insight.

PROGRAM INSIGHT 5

PROGRAM CHANGES IN THE PUBLIC EMPLOYMENT SERVICE WILL NOT BE EFFECTIVE, HOWEVER SOPHISTICATED THE GUIDELINES AND TECHNOLOGIES, IF THEY ARE NOT SUPPORTED BY MAJOR ORGANIZATIONAL AND STAFF DEVELOPMENT EFFORTS.

The findings which led to this Program Insight were thoroughly discussed in Chapter VI. Organizational and staff development does not mean a training program on Employer Services' techniques or other operationally oriented training. It requires a process of planned social change within the institution. This process calls for a careful diagnosis of the organization's problem and a planned program of change in the structure and functioning of the organization. This may involve a change in the locus of decision-making within the organization; the enrichment of many jobs; the improvement of the technical and interpersonal skills of staff at all levels; and, changes in the more onerous aspects of the state Civil Service system; all of which are only examples of the far-reaching changes that are necessary in most state agencies.

This insight holds the key to Project performance. The Project began with a program oriented approach to change. The Employer Services Model was developed to help increase job listings. Gradually in time, it became obvious that the main job was not to create exotic

models, but rather to assure program implementation. The concern shifted from program content to the process by which programs are implemented. Project experience indicates that almost any reasonable Employer Services effort will increase job listings, if the local office is both capable of and motivated to properly implementing the program.

Decision makers at the federal, regional and state level, in setting directions, cannot make the tacit assumption that the staff at the local level have either the resources and skills or desire to implement new programs. Occasionally local office staff do, but more often we suspect they are neither fully capable nor willing to adjust to and implement a new program. This should not be interpreted as an attack upon local level operating persons in the public Employment Service. It is, however, a criticism of decision makers at all levels who fail to take into consideration the human needs of this system.

PROGRAM INSIGHT 6

IN THE SHORT RUN, THE INCREASE IN THE VOLUME OF JOB LISTINGS IS NOT LIKELY TO BE ACCOMPANIED BY AN IMPROVEMENT IN THE QUALITY OF THE JOBS LISTED.

While the volume of job listings increased dramatically in the Demonstration, the quality of the jobs listed improved only very slightly (Volume I, Chapter IV). This is not surprising in light of the findings on the behavior of employers (Volume I, Chapter V). Although employers were willing to place more job openings with the local office in the short run, their confidence in the local office did not show any real improvement and in the

post test questionnaire most employers were clearly not willing to place their better job listings with the local office.

Based on the findings about employer behavior toward the Employment Service it is reasonable to assume that if a local office maintained a high quality of referrals for a continued period of time, it would result in a greater willingness on the part of employers to place better job openings with the office. At the same time, however, this would necessitate the local office's enhancing the quality of applicants registering with it.

Given the present resource limitations of the public Employment Service and the absence of clear and consistent goals, it is unlikely that most local offices can maintain a high quality of referrals and even less likely that they can attract a large supply of well-qualified job applicants.

PROGRAM INSIGHT 7

IMPROVING RELATIONS WITH EMPLOYERS WILL REQUIRE MUCH MORE TIME THAN IT TAKES TO INCREASE JOB OPENINGS.

A dramatic short run increase in job listings does not necessarily evidence a solid improvement in relations with employers. A pattern of employer behavior toward a local office was presented at the close of Chapter V. In this design, an employer's rating of his relations with the office is largely determined by his attitudes toward the office. And, his decision to place a large percentage of his job openings there is determined not solely by these attitudes, but also by more tangible factors, such as the number of times he is visited by local office representatives and the quality of applicants referred to him. In

brief, a change in behavior toward the local office, resulting in increased placement of job openings is likely to presage a change in employer acceptance and support of the local office.

This situation has some potentially dangerous implications, particularly in those instances when a state undertakes to stimulate a vast increase in openings with the hope that in time placements will keep pace. If the design of employer behavior is at all valid, the failure to service openings in the short run will quickly lead to a reversal in the volume of openings. When the average employer starts to use or expands his use of the local office it is usually on a trial basis. Local office failure to make prompt, appropriate referrals on an employer's job openings will quickly lead to his refusal to use the local office.

PROGRAM INSIGHT 8

AN EMPLOYER'S RATING OF THE QUALITY OF APPLICANTS REFERRED TO HIM IS THE SINGLE GREATEST PREDICTOR OF HIS BEHAVIOR TOWARD AND RELATIONS WITH A LOCAL OFFICE.

This finding is corroborated by other recent reports[1] concerning employers and the Employment Service. Employers want qualified applicants refefred to them and basically that is the only kind of applicant they want to hire. Cliches such as "we'll send them qualified applicants and every so often we can get them to hire a few who aren't qualified" are not realistic. The Employment Service must refer qualified applicants if it is to maintain a viable labor exchange function. The major challenge confronting the Employment Service is to find the proper

accommodation between interest in employability development and optimizing job openings and placements. While these goals are not mutually exclusive, they easily can become so. This insight is not based solely on our Project experience but also on careful study of the public Employment Service's experience over the last decade.[2]

Most local offices are in no position to undertake the type of research on employer relations that took place in the Demonstration. However, a local office may discover the true state of its relations with its employers if it selected a stratified random sample of employers who use it (See Volume I, Chart 1.1) and has these employers rate the quality of applicants referred to them. This measurement would provide a good indication of how employers regard the local office.

PROGRAM INSIGHT 9

IF THE EMPLOYER SERVICES PROGRAM IS TO SUCCEED IN IMPROVING RELATIONS WITH EMPLOYERS AND INCREASING JOB LISTINGS IT MUST HAVE A FORMALLY ORGANIZED UNIT TO IMPLEMENT ITS PROPOSALS.

Our Demonstration experience clearly showed the value of having a formally organized Employer Services Program consisting of:

1. An organized unit under a working supervisor
2. Formally established goals for the program
3. Accountability and control of Employer Services activities
4. Office-wide coordination of Employer Services oriented activities

If the Employer Services Program is to achieve continuing acceptance by employers it cannot be a mere residual operation in the office. The time and efforts devoted to Employer Services cannot be limited to such time as remains after all other local office functions are accomplished. Chapters II and III and the other final report provide sufficient material on this subject that it will not be pursued in this summary section.

PROGRAM INSIGHT 10

THE ACTIVITIES OF THE EMPLOYER SERVICES UNIT MUST BE INTEGRALLY RELATED TO THE JOB BANK AND PLACEMENT OPERATIONS.

USES guidelines correctly suggest that Job Bank be a part of the Employer Services Unit. These guidelines also suggest that Employer Services be delivered by an area unit as opposed to a local office unit. However, no provision is made for structural or organizational modifications according to local situations or adaptations to better achieve program objectives. In most local office operations, the Employer Services and Placement operations must work in unison. In our Demonstration, the Employer Services Unit spent up to 40 percent of its time assuring that employer job orders were promptly and properly serviced. This called for close and continuous communications with the Placement operation.

The justification for locating Employer Services in an area unit exists only in those local areas which have several sub-offices. Such location also would bring Employer Services into close proximity with the Job Bank, a highly desirable move. This move

can be accomplished by assigning Employer Service leadership, coordination, and technical support functions to an area unit, and to the central order taking function as well. At the same time, Employer Service Representatives, assigned on a geographic basis, should be outstationed in local offices. In this way, Employer Services and Placement operations' coordination could be maintained at the point where the need is greatest.

In our Demonstration, although the multi office situation did not exist, we experimented with several kinds of interfaces between Placement and Employer Services (See earlier Chapter III and VIII). None of the alternatives was particularly successful. As of this time, it is not clear what constitutes the best organizational linkage between the Placement and Employer Services operations within a local office. However, there is no question in our mind that the relationship must be a close one.

PROGRAM INSIGHT 11

LOCAL LABOR MARKET INFORMATION CAN BE AN INVALUABLE TOOL FOR EFFECTIVELY OPERATING AN EMPLOYER SERVICES PROGRAM.

The Employer Services Unit made extensive use of local labor market information in all aspects of the Demonstration Employer Services Program (See Chapter III and the other final report for details). Local LMI was used in identifying "key employers" to contact; planning the contacts; developing plans of service for "key employers;" and, local LMI was provided to employers as a service of the local office. It was also used as a bench mark for assessment of program accomplishments.

The use of local LMI improved the management of the Employer Services Unit, by helping the supervisor to optimize the Unit's limited resources; only high potential employers were contacted and the well planned contacts were quite effective. Also, many employers rated the provision of LMI as a valuable service.

PROGRAM INSIGHT 12

THE VOLUME OF EMPLOYER VISITS AND OTHER CONTACTS ARE HIGHLY CORRELATED WITH RELATIONS WITH EMPLOYERS AND THE PERCENTAGE OF JOB OPENINGS THEY PLACE WITH THE LOCAL OFFICE.

Employer visits, PTCs and mailings can have positive influences on employers. The Demonstration experiences also indicate the need for carefully planned and executed employer visits (See Volume I, Chapter III for details). Merely making a large number of employer visits, is not that effective a means of increasing job listings, unless the visits are well-planned and executed. It should be noted that in the test city where visits were carefully planned and selectively made, there was a high correlation between the volume of visits and the percent of jobs listed by a firm. In the control city where visits were loosely planned there was almost no correlation with jobs listed. However, a large volume of visits, even casual ones, appears to be highly correlated with relations with employers; the more visits, the better the relations (See Volume I, Chapter V).

The preceding discussion of basic program insights which need to be taken into account as requisites to program effectiveness cannot be regarded as all inclusive. Limitations inherent in the

Demonstration preclude this. Nevertheless, together they constitute a rather formidable array which might well serve as guideposts to any attempt to bring about a more effective local Employer Services program. Some of these insights are dealt with in other sections of this Volume and in Volume II.

Although the Project was of value in developing innovative approaches to Employer Services activities and bringing into focus program considerations which hitherto have been scattered, its scope was limited and many unanswered questions remain. The concluding chapter deals with these unanswered questions.

Footnotes

1. Greenleigh Associates, First Year Report, July, 1972, prepared for the U. S. Department of Labor, Manpower Administration, Office of Research and Demonstration, Washington, D. C.; and Report Of The National Employers' Committee For Improvement of The State Employment Services, July, 1972, prepared for the U. S. Department of Labor, Manpower Administration, Washington, D. C. 20210.

2. Giblin and Levine, Op. Cit., Chapter I.

CHAPTER VIII

SOME ISSUES REQUIRING FURTHER EXPLORATION

As mentioned elsewhere in this volume, the Project from the outset was subject to limitations of involvement, longevity, and certain other factors related to the test area and office. It was never contemplated that an 18-month Research and Demonstration Project, in a single local office, could provide conclusive answers to all the questions affecting the Employer Services program activities much less the operations of the entire public Employment Service. Nonetheless, it was inevitable that Project experience would point to conditions and problems requiring further exploration and perhaps experimentation. Although these matters go beyond the limits assigned to the Demonstration, they nonetheless may deserve study since they are likely to affect the success of a local Employer Services program.

THE LONG RUN IMPACT OF THE DEMONSTRATION

Time, itself, may throw light on a number of questions in the Employer Services program which as yet are not resolved. The data in this volume is based on only nine months' actual testing of the Employer Services Demonstration Model, February - September 1972. Our limited Model eventually involved most of the operations within the local office, as well as relations with employers and even, indirectly, with applicants. Since it would be unrealistic to expect major changes along so many fronts in only nine months, several unanswered questions remain:

- Is the substantial increase in openings only a short-run phenomenon and will the rate of increase fall off?

- If openings keep increasing at a substantial rate, what will happen to placements? Will the gap between openings and placements narrow or widen?

- The Project did not make a substantive effort with public service employers. What impact would such an effort have had?

- Employer attitudes toward the test city local office did not appreciably improve in the short time available. Would they improve over the long run?

- In the absence of the Project's influence will all the gains be dissipated?

- Will the attitudes of local office staff in both cities grow more negative toward their jobs, Job Bank, etc.?

- What more can be accomplished through employers' efforts--not only in the committees--but as volunteers in advancing public objectives?

- Will the Employer Services Unit's attempts to open and maintain lines of communication with other agencies in the community culminate in more positive and more active relationships with them?

- The Project made extensive use of media, including specially prepared TV announcements. However, such activities usually require a considerable time before their effect on end result variables (placements and openings) objectively can be measured. What will be the eventual impact (assuming continued use) of media on increasing openings and placements in the local office?

- What other built-in elements, in addition to organization, training, accountability, etc., will assure continuity of an Employer Services program?

REPLICATION OF THE DEMONSTRATION MODEL IN OTHER LOCAL OFFICES

The Demonstration's environment has been described in detail in this volume. The test city was a medium-sized Midwestern city with a very diversified economy. The local office was staffed by approximately 55 persons and a Job Bank. While many local offices throughout the country probably face comparable situations, many more do not, which leads to several important questions:

- How replicable is the Model in the approximately 1500 less specialized and often rurally-located local offices with fewer than 15 persons on staff?
- How meaningful is the Model in the approximately 150 highly specialized offices, usually located in large metropolitan areas, with staffs in excess of 50 persons?
- The Demonstration Model placed great emphasis on the close involvement of Employer Services staff with local office staff, to assure service on employer orders. How replicable is the Model in locales where Employer Services are delivered on an area basis and Employer Services staffs do not report to or work closely with the local office?
- How replicable is the Demonstration Model in an office where Placement (employer) Services are separate from Applicant Services (employability development), i.e. the structure recommended in the "Vickery Report"?[1]

Unemployment Insurance and Relations with Employers

Our Project experience with employers attitudes toward unemployment compensation closely parallels that of another similar Research and Demonstration Project.[2] In both Projects Employer Advisory Committees were used and these committees were unanimously

hostile towards the administration of the Unemployment Insurance Compensation Program. Specifically, they felt that many persons received benefits who didn't merit them, such as employees fired for what the employer deemed "just cause," and they felt that the local offices didn't devote sufficient time and effort to getting U.I. claimants back on the job.

While most of these employers were less than totally objective in their criticisms of the U.I. program, there is little question that they were unhappy with this program which, by their own admission, negatively influences their dealings with the Employment Service.

Neither Research and Demonstration Project truly addressed itself to this problem, as it involved another division (U.I.). Little was learned on how to improve this situation. Therefore, this area requires study of the following questions:

* What would be the impact on openings and placements of a complete (geographic) separation of the E.S. and U.I. offices?
* Could an active U.I. public information program mitigate the negative attitudes of employers toward U.I.?
* Would giving U.I. offices satellite Job Information Services help mitigate negative employer attitudes toward U.I.?
* What would be the impact on placements and relations with employers of a closer tie between E.S. and U.I., with more emphasis on assisting U.I. claimants?

LINKAGES BETWEEN APPLICANT SERVICES AND EMPLOYER SERVICES

As mentioned throughout this volume, the difficulty was not in increasing job listings, but in servicing a largely increased volume of job listings. Throughout the Demonstration, the Project

worked with local office staff in Employer Services, Applicant Services, and Job Bank Central Control to try to enhance the office's capability to promptly and properly service open job orders. The history of our limited successes and failures is well documented, especially in Chapters II, III and IV. In summary, although many make-shift approaches were attempted, no final solutions were found to the problem of linking (integrating) Employer and Applicant Services. This failure raises some very important questions:

- What would be the impact on openings, placements and relations with employers of placing Job Bank operations under Employer Services?
- Taking the above a step further, what would be the impact on openings, placements, and relations with employers of placing Job Bank and placement interviewing under Employer Services? In testing this last question, several others arise:
  - What impact would this approach have on services to the competitively disadvantaged and minorities?
  - What impact would this approach have on relations with other manpower and social agencies in the community?
- This question, already developed in a slightly different context, is important enough to be repeated: what would be the effect on linkages between Applicant and Employer Services, if Employer Services were delivered on an area basis and Applicant Services on a local office basis?

JOB INFORMATION SERVICES FOR MANAGING LOCAL OFFICE SERVICES

One major reason for the failures of the local office to adequately service the larger volume of openings which resulted from

Demonstration activities was a shortage of staff resources. It seems unlikely that the public Employment Services' staffing will be increased in the near future. This means that if the volume of transactions is to be increased, this additional volume will have to be handled by existing staffing levels. J.I.D.S. represents an improved approach for assisting job ready applicants in the job search and supports the placement operation in its efforts to service employers' job orders. The test city local office did not have a J.I.D.S. in operation, a situation which brings up some questions that need examination:

- Would the existence of a J.I.D.S. permit placement interviewers to be redirected to more professional activities, such as working more intensively with employers on filling difficult orders through Employer Services oriented techniques?
- Assuming different types of procedures to safeguard employer interests, what would be the impact on openings, placements, and relations with employers of this kind of redirection of placement staff?
- What kinds of staff development activities would be required to adequately prepare placement staff to perform their enlarged job tasks at high standards of performance?

LINKAGES WITH OTHER KEY COMMUNITY INSTITUTIONS

Chapter III briefly discussed the limited efforts by the Project to build bridges to key institutions in the community. A difficulty encountered in this effort is probably faced by all local offices' attempts to extend working relations with other community institutions, i.e. many of these institutions perceive themselves to be in competition with the local Employment Service, as often these institutions perform job development and placement functions for their

special clientele. In trying to work out cooperative working relationships, both the local office and competitive institutions were hesitant to give up any of their functions. To further complicate this situation, the revenue sharing act has given additional influence to the local executives. This situation leads us to formulate some questions requiring further study:

- In light of the current trend toward more local control of manpower programs and services, what is a proper and viable role for the Employment Service to play?
  - What should its relationship be to the local CAMPS (MAPCs, etc.)?
  - What joint working relationships should be engendered with CAPS, Urban Leagues, etc.?
- On a more specific note, USES guidelines recommend that the local office (ES) share Job Bank with other community institutions involved in some form of job development and placement. If this is done, what will be the impact for the local office (ES) on its openings, placements, and relations with employers?
  - What roadblocks would be set up by either party to this Job Bank sharing arrangement and how can they be eliminated?
  - The sharing of Job Bank with these institutions implies a concern with community-wide employment absorption and not the narrower concern of local office placements. What criteria can be developed to measure the local office's performance when it shares Job Bank with these other institutions?

BASIC CONSIDERATIONS COMMON TO ALL PROGRAM AND PRIORITY CHANGES

This extensive list of questions, while only a sampling of the issues, would represent a major research and demonstration effort, since no single project could possibly address itself to all of them. Several projects, some relatively long-term in nature, would be required if each of these questions was to be properly studied.

Beyond the questions themselves, every study undertaken should consider three fundamental issues: first, the effect of the new program changes on all other aspects of local office operations; second, the problems of program implementation; and third, the impact of the changes on staff morale within the local office.

Our Project experience clearly shows that you cannot make major changes in one aspect of operations without affecting other operations in a local office. In our Demonstration, Employer Services activities were vastly increased without proportional increased support to the placement operation. As this volume points out, the situation produced some negative side effects. A Project attempting to change and study the major aspects of operations should be prepared to monitor the effect of this change on other key aspects of office operations.

Most projects will discover that the easiest phase of any attempt to change an operation(s) in the Employment Service will be the design of the Demonstration Model. In our Demonstration, putting together an Employer Services Program (Model) was relatively easy. In fact, USES guidelines already spelled out a very elaborate Employer Services Program. However, designing a Model is one thing; implementing it in an operational Employment Service local office is

another. The most serious difficulty for any project will be program implementation.

In the design of any program Model there are two major elements: content and process. The content of the Model is the program components; in our Demonstration these were Employer Services activities. The key to success lies in the process used to implement the Model. The process concerns the realities of operational life, whereas the program Model is the ideal state to be achieved. The process oriented aspects of the Demonstration must be concerned with achieving cooperation within the institution which will have to implement the new program Model. How the Project goes about achieving this cooperation from operating staff ultimately will determine the extent to which the new Model will be implemented and largely the outcomes the Model does or does not produce.

A final issue that should be of concern to every one of these potential studies is the impact of the program changes on the morale and productive capability of local operating staff. Chapter VI elaborates our views on the importance of this issue. Program changes initiated with little or no concern for the human assets of the local office probably will, in the long-run, fail to achieve their desired ends. This lesson should have been made clear by the sad experiences during the last decade of program innovation and change. The best conceived program will flounder on the bureaucratic rocks if the needs and genuine concerns of operating staff are not given proper consideration.

Footnotes

1. Report of the National Employers' Committee, Op. Cit.

2. Greenleigh Associates, Experimental and Demonstration Project to Determine Ways of Increasing Employers' Utilization of State Employment Services, funded by Office of Research and Demonstration, U. S. Department of Labor, Manpower Administration.

APPENDICES

APPENDIX I:

FACTOR ANALYSIS INTERPRETATION

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PROCEDURE

The Employer and Local Office staff questionnaires contained questions which were designed to explore a number of different areas. These questionnaires contained a large number of questions designed to tap a variety of attitude areas, ranging from general attitudes and dispositions to specific attitudes concerning a variety of subject matter.

When dealing with large numbers of attitudinal items, at least two considerations make it advisable to perform preliminary analyses aimed at reducing the mass of data. First, it is extremely difficult to thoroughly inspect all possible interrelationships of items with each other when the number of items becomes large. If, for example, we wished to study the interrelationships among 150 items by correlating every item with every other item, this would yield a matrix of 22,500 correlation coefficients. Thus, some form of preliminary analysis is desirable to reduce the data to manageable proportions.

A second consideration has to do with the unreliability of single scale items. Numerous authors[1] in the area of psychometrics have demonstrated that single items have low internal consistency, as well as very low test-retest reliability. This is true for I.Q. and other educational tests, but is particularly so in the case of items measuring social attitudes, as Nunnaly[2] among others, has pointed out. Davis[3] has demonstrated that even highly structured attitude scale items which have been carefully pre-tested--such as those contained in Osgood Semantic Differential,[4] have very low test-retest reliability when used singly.

There are a number of statistical tools which may be used to deal with these problems. Factor analysis is one of the most useful and widely used tools of this sort. It is a statistical technique which can be used for the preliminary analysis of data in such a way as to serve the twin aims of reducing the data to manageable proportions and of obtaining composite scores which are significantly more reliable than single scale items. Factor analysis is essentially a procedure designed to summarize a correlation matrix by finding clusters of items that tend to hang together. The clusters or factors that result from this analysis represent dimensions which reflect the underlying psychological structure of the subjects' responses to the items. Of course, the factors or dimensions that result are limited by the responses which constitute the input data. The responses, in turn, are determined by the nature of the items being used and by the nature of the subjects giving the responses, as well as by other variables. With these considerations in mind, we will examine the results obtained from the use of factor analysis, used here as an exploratory tool designed to reduce our rather extensive data to a manageable number of interpretable dimensions.

Our analysis utilized a PCVARIM (Principal Components Factor Analysis with Varimax Rotations) program, which provides means, standard deviations and a complete correlation matrix of input variables. Principal Axis factors are orthogonally rotated, in accordance with the Varimax criterion. This program provides multiple Varimax solutions in one run. This program was used in conjunction with a versatile Composite Score program.

These programs, and other minor programs used by the Project were run on the CDC6600 at the Atomic Energy Commission/New York

University Computing Center at the Courant Institute of Mathematical Sciences, in New York City.

Employer Schedule Results

The pre test employer questionnaire had 29 Likert-style items. The post test questionnaire used only those items which had clustered on one of the three scales (factors). This reduced the number of Likert-style items on the post test questionnaire to 22; 21 items on the three factors and one new item (#21, on the post test questionnaire). The response to these questions formed an ordinal scale varying from 1 (strongly disagree) to 7 (strongly agree). The values obtained from the responses to these original 29 items by 182 employers in the test city and 25 in the control city for whom we have complete data were factor analyzed and yielded three factors which seemed to be clearly interpretable. Pre and post test composite scores were recalculated using the reduced number of items.

In the post test analysis the factors were more clearly identified and titled. The factors are:

Factor 1. This factor is one of favorable versus unfavorable attitudes towards government intervention in the functioning of local labor markets.

Factor 2. This factor is best described as a positive versus a negative attitude toward using the services of a local employment service office.

Factor 3. Is best described as a positive versus a negative attitude toward the quality of services provided by a local office.

The interpretation of the factors was made possible by inspection of the highest loading items on each factor, to determine what they

have in common. Of course naming the factor is a matter of judgment and may be open to several interpretations. The reader should inspect the actual items on each factor in order to get a feeling for the names we have listed above. Table A.1 presents the descriptions and reference numbers of selected items which have the highest loadings on each of these three Varimax rotated factors, together with the factor loading for each item and the percent variance accounted for by each factor. For the post test computations, only those items with varimax loadings of .50 or greater were retained for calculating the post test composite scores.

Local Office Staff Results

The pre test local office staff questionnaire had 64 Likert-style items. The post test questionnaire used only those items which had clustered on one of the four scales (factors). This drastically reduced the number of items to 28. Four new items dealing with staff attitudes to the Project were added to this questionnaire. Pre and post test composite scores were recalculated using the reduced number of items. As discussed in Chapter VI, Factors 3 and 4 did not have sufficiently high Alpha scores to be very usable. While these two scales are presented in this Appendix the reader should view them with considerable caution.

Factor 1. Is best described as a positive versus a negative attitude toward the respondent's job, as measured by a number of job satisfaction items.

Factor 2. Is a positive versus a negative attitude toward Job Bank.

Factor 3. This complex scale can best be described as a positive versus negative attitude toward the role of the agency, especially as it involves the non-competitive job seeker.

Factor 4. This scale was also quite complex and can be best described as a positive versus a negative attitude toward the local office delivering a broad array of services to all applicants and employers.

The interpretation was made possible by inspection of the highest-loading items on each factor to determine what they have in common. Of course, naming the factor is a matter of judgment and open to several interpretations. The reader should inspect the actual items on each factor to get a feeling for the names we have listed above. Table A.2, which follows this section, presents the descriptions and reference numbers of selected items which have the highest loadings on each of these four Varimax-rotated factors, together with the factor-loading for each item and the percentage variance accounted for by each factor.

Footnotes

1. Cronbach, Op. Cit.
2. J. P. Nunnaly, Tests and Measurements, McGraw Hill, New York, 1959.
3. Earl E. Davis, A Methodological Study of Behavioral and Semantic Differential Scale Relevant to Intercultural Negotiations, University of Illinois, Department of Psychology, Urbana, 1966.
4. C. E. Osgood, G. J. Suci, and P. H. Tannenbaum, The Measurement of Meaning, University of Illinois Press, Urbana, 1957.

Table A.1 Factor Analysis of 29 Employer Attitudinal Items (N=207)

Selected Items From These Varimax Rotated Factors

Item Number	Item	Varimax Rotated Loadings	Pct. Var.	Cum. Pct. Var.
	Factor I: Attitude Toward Government Intervention In The Functioning of Local Labor Markets			
5	Most government sponsored hiring and training programs are of little benefit to employers.	-.56		
6	There are already sufficient equal opportunity regulations and manpower training programs; what is lacking is a real desire on the part of these people to work.	-.73		
7	Most businesses in this area are doing their fair share to help alleviate the unemployment problems of veterans, minorities and other special groups.	-.64		
8	The applicants who apply for a job today are not as good as those of ten (10) years ago.	-.65		
12	President Nixon's Executive Order No. 11598, requiring all government contractors to place their job openings with the State Employment Service is an unwarranted invasion of private enterprises.	-.61		
13	The State Employment Service devotes most of its time and efforts to finding jobs for special applicants, such as veterans and minorities.	-.49		
15	Most persons receiving unemployment insurance benefits do not make sincere efforts to find another job.	-.63		
			13.8	13.8
	Factor II: Attitudes Toward Using the Services Of A Local Office			
3	I don't object to being contacted by the many community agencies involved with job placement.	.61		

Table A.1 (con't.)

Item Number	Item	Varimax Rotated Loadings	Pct. Var.	Cum. Pct. Var.
9	Government must play a much greater role in alleviating many social and economic problems that burden our society.	.50		
10	I would be positively inclined toward telephoning my job openings into a centralized unit that made them immediately available to many agencies in the community.	.58		
16	The Employment Service represents the largest single source for hiring disadvantaged workers in this community.	.58		
20	Under normal economic conditions I would like to receive more personal contacts from representatives of the State Employment Service.	.58		
23	The provision of area labor market information to private employers is one of the most valuable services provided by the State Employment Service.	.58		
24	The state Employment Service has made a positive contribution to my operations during the last 12 months.	.53		
27	I would consider listing all my job openings with the state Employment Service.	.68		
			12.3	26.1
	Factor III: Attitude Toward the Quality of Services Of a Local Office			
1	The main problem with using the state Employment Service as a source of new employees is that it seldom refers qualified job applicants.	-.59		

Table A.1 (con't.)

Item Number	Item	Varimax Rotated Loadings	Pct. Var.	Cum. Pct. Var.
17	The Employment Service is more concerned with service to job applicants than service to employers.	-.65		
18	The state Employment Service should provide employers with services other than just job referrals.	-.49		
19	I am hesitant to place my job openings for highly skilled, semi-professional, and professional positions with the state Employment Service.	-.55		
21	The Employment Service staff members do not possess the expertise necessary to pre-screen applicants for my job openings.	-.70		
29	The Employment Service must be substantially changed to become more responsive to applicants and employers or it eventually will be discontinued.	-.58		
			12.3	38.4

Table A.2 Factor Analysis of 64 Local Office Staff Attitudinal Items (N=84) Selected Items From These Varimax Rotated Factors

Item Number	Item	Varimax Rotated Loadings	Pct. Var.	Cum. Pct. Var.
	Factor I: Job Satisfaction			
7	Our local office provides effective services to both employers and applicants.	.60		
9	There is too little communication and sharing of responsibilities for assisting applicants between E.S. and U.I. at the local level.	-.42		

Table A.2 (Con't.)

Item Number	Item	Varimax Rotated Loadings	Pct. Var.	Cum. Pct. Var.
26	Many applicants are presently turned away from the local office without having received service such as, job referral, job development, counselling, referral to training programs and supportive services, etc.	-.56		
35	One of the most negative aspects of Civil Service is that it prevents employees from advancing as quickly as they should, while protecting marginal employees from being discharged.	-.57		
36	The lack of privacy in the branch office makes it that much more difficult to properly do my job.	-.59		
37	The working conditions at the branch office (hours, adequacy of facilities, cleanliness, noise level, etc.) are, in general, satisfactory.	.68		
38	I get a good deal of personal satisfaction from my daily association with my co-workers in the branch office.	.45		
40	I often don't get the kind of cooperation from my fellow workers that would enable me to do my job well.	-.62		
42	I usually find myself in agreement with the existing policies and practices of my state agency.	.64		
43	The activities performed by my branch office make a valuable contribution to the community.	.66		
46	My job would be more satisfying if I were allowed to make more decisions on my own.	-.45		
47	I spent too much time performing job duties that are below my level of competence.	-.65		

Table A.2 (Con't.)

Item Number	Item	Varimax Rotated Loadings	Pct. Var.	Cum. Pct. Var.
48	I'm often given job duties and responsibilities without having the authority to assure that they are successfully implemented.	-.72		
51	At our branch office there is equal treatment for all employees.	.50		
52	The role of my supervisor should be to make the decisions and instruct me on what I'm to do.	.57		
53	I'm seldom informed about how I'm performing my job.	-.41		
54	Little or no consideration is given to my ideas by my supervisor.	-.41		
61	Community agencies involved in job development should be given Job Bank viewers.	-.46		
64	The Employment Service must be radically changed to become more responsive to applicants and employers or it will eventually be discontinued.	-.48		
			.127	.127
	Factor II: Job Bank			
13	Employment Service branch offices should be given the authority and responsibility to coordinate all job development activities between other agencies within their local communities.	-.59		
14	Job development is, perhaps, the single most important activity performed by the branch office.	-.43		
27	There should be a separate unit at the branch office with primary responsibility for individual job development with job-ready applicants.	-.43		

Table A.2 (con't.)

Item Number	Item	Varimax Rotated Loadings	Pct. Var.	Cum. Pct. Var.
49	In the course of performing my job duties at the branch office, I would like to become more involved with employers and other groups in the community.	-.43		
55	The Job Bank will make a substantial improvement in the way the branch office services both employers and applicants.	-.67		
56	The Job Bank will reduce the amount of paper work in the branch office.	-.52		
57	The Job Bank will improve job placement activities for the disadvantaged.	-.75		
58	The Job Bank should result in an increase in job listings.	-.69		
59	The Job Bank is good in theory, but it really isn't practical for our branch office.	.53		
60	Over a period of time, many employers will become disenchanted with the Job Bank, because it depersonalizes branch office relations with them.	.61	8.0	.207
	Factor III: Attitude Regarding the Role of the Local Office in Relation to Applicants			
2	The primary function of an Employment Service should be job placement.	-.39		
8	Our branch office should only be concerned with job placement, leaving job development and the provisions of training and supportive services to other agencies; such as the CAP's, NAB-JOBS, etc.	-.57		
16	Community agencies should be given exclusive responsibility for providing job development, placement, training and supportive services to the disadvantaged.	-.40		

Table A.2 (con't.)

Item Number	Item	Varimax Rotated Loadings	Pct. Var.	Cum. Pct. Var.
19	The majority of employers are hesitant to place job orders with the branch office, because they believe they will not have quality job-ready applicants referred to them.	-.47		
20	Most employers in this city only want to hire the most qualified job applicants for relatively low wages.	-.42		
24	One of the reasons why many employers hesitate to place job orders with the branch office is the poor quality of applicants that come into the branch office.	-.65		
30	A major reason why I stay with the state Employment Service is job security.	-.43		
63	As was true of so many programs in the past, the Job Bank will be gone and vertually forgotten within two years.	-.54		
			6.0	.267
	Factor IV: Attitude Regarding the Delivery of Services			
4	The Employment Service should provide a broad range of manpower services to all levels of applicants and employers.	.45		
10	The U.I. office should have Job Bank readers and have the responsibility for interviewing and referring claimants to jobs.	-.38		
11	The law that necessitates the registering of all U.I. claimants at the branch office is a waste of valuable staff time.	-.60		
15	Local community agencies engaging in job development don't possess the professional expertise of our branch office staff.	-.55		

Table A.2 (con't.)

Item Number	Item	Varimax Rotated Loadings	Pct. Var.	Cum. Pct. Var.
18	There is so much competition between the Employment Service and the community agencies performing job development that it is unlikely they can coordinate their job development activities.	-.39		
25	Given present staffing conditions, every applicant registering with the branch office, who is job-ready, should have the opportunity to review job possibilities with a placement interviewer.	.58		
28	The branch office would be more effective if it limited provision of services to U.I. claimants and other job-ready claimants (applicants having saleable skills).	-.438		
31	My salary is fair, relative to my duties and responsibilities at the branch office.	.48		
			5.9	.327

APPENDIX II:

POST TEST QUESTIONNAIRES

- Employer Questionnaire
- Local Office Questionnaire

MICHIGAN EMPLOYMENT SECURITY COMMISSION -
APPLIED BEHAVIORAL RESEARCH, INC.
Research and Demonstration Project

Dear Participating Employer:

Last October your organization was kind enough to supply data for a study sponsored by the Michigan Employment Security Commission.

As you may recall, the primary purpose of the study was to determine how MESC, working through the Grand Rapids Office, can improve services to you and other employers in this area. Based on the information supplied by cooperative firms such as your own, an extensive program of employer services and relations was implemented at the Grand Rapids Branch Office.

We are again asking you to participate by completing a self-administered questionnaire that will provide us with information to determine the effect of this new effort on employers. This information will enable us to make needed improvements in the program so that we can better serve you and other employers in this area.

The questionnaire has been reduced and should take LESS THAN 20 MINUTES to complete. We would be grateful if you, or the principal hiring authority of your organization, would complete it.

The MESC is composed of two distinct divisions. The Manpower Division is responsible for placement and other manpower services to both employers and applicants. The Unemployment Compensation Division is responsible for administering the unemployment insurance benefit program. The items in the attached questionnaire refer only to the Manpower Division. Please try to keep this distinction in mind when responding to this questionnaire.

In order to assure that the study is accurate, that it truly reflects the viewpoint of a broad range of employers, it is essential that you respond to every item in this questionnaire; even if you have never used the services of this agency. All information will again be treated anonymously; that is, respondents will not be identified.

Your cooperation is essential in making the ultimate results of this activity beneficial to firms in this area.

Respectfully,

[redacted], Jr.,
Project Director

Cherry Street S. E. TELEPHONE (616) 456-1109 GRAND RAPIDS, MICHIGAN 49502

EMPLOYER SCHEDULE - PART I

1. Approximately how many persons from this local metropolitan area do you presently employ?

(A)___8-25 (B)___26-50 (C)___51-99 (D)___100-299 (E)___300 and Over

2. In the last eight months, approximately what percentage of your job openings did you place with the State Employment Service for referrals?

(A)_____None placed with State Employment Service

(B)_____Up to 10 percent

(C)_____Up to 25 percent

(D)_____Up to 50 percent

(E)_____Up to 75 percent

(F)_____More than 75 percent

(G)_____Had no job openings to place

3. The average quality of applicants referred to you during the last eight months, by the State Employment Service was:

(A)_____Excellent

(B)_____Good

(C)_____Average

(D)_____Poor, but acceptable

(E)_____Unacceptable

(F)_____None referred

4. How would you rate your firm's relationship with the local office of the State Employment Service?

(A)_____Excellent

(B)_____Good

(C)_____Average

(D)_____Poor

(E)_____Very Poor

(F)_____No relationship

5. Over the last eight months I placed ONE OR MORE of the following categories of job openings with the State Employment Service local office:

(A)_____None
(B)_____Skilled factory
(C)_____Unskilled/semi-skilled factory
(D)_____Clerical
(E)_____Managerial and professional
(F)_____Unskilled service (dishwasher, etc.)
(G)_____Skilled service (mechanic, salesclerk, etc.)
(H)_____Technical (rate clerk, IBM operator, etc.)
(I)_____Other

6. How often have you been contacted in person by the State Employment Service during the last eight months?

(A)_____Not at all
(B)_____Once
(C)_____2 times
(D)_____3 times
(E)_____4 times
(F)_____5 times
(G)_____more than 5 times

7. How often have you been contacted by telephone or mail by the State Employment Service during the last eight months?

(A)_____Not at all
(B)_____Once
(C)_____2 times
(D)_____3 times
(E)_____4 times
(F)_____5 times
(G)_____more than 5 times

8. What was the purpose of the contact(s) by the State Employment Service during this period (the last eight months).

(A)_____No contact

(B)_____To explain the services they offer to employers

(C)_____To solicit job openings

(D)_____To solicit your firm's participation in job training programs (NAB-JOBS, On-the-Job Training, etc.)

(E)_____To gather labor market information

(F)_____To provide a manpower related service (help with testing, information on a regulation, etc.)

9. For your firm, what was the result of this contact?

(A)_____Further strengthens my relationship with this agency

(B)_____The firm's participation in a job training program

(C)_____A better understanding of the agency and the services it offers

(D)_____Placed a job order with them

(E)_____The service they provided was of value

10. In what manner have you been contacted by the State Employment Service during the last eight months?

(A)_____Not at all

(B)_____Telephone call

(C)_____Mail

(D)_____Personal visit

(E)_____Some combination of ~~the above~~ (B, C, D)

11. If you have started using the Employment Service in the last eight months, or have begun to use it more intensively, please describe the actions which led to this. (Check ONE OR MORE)

(A)_____Have used them about the same all along

(B)_____Not using them

(C)_____Started referring better applicants

(D)_____A visit from their Employer Services Unit to explain their services

(E)_____Received a promotional telephone call from them

(F)_____Received a brochure(s) describing their services

(G)_____Their radio announcements

(H)_____Their television announcements

(I)_____They were recommended by a business associate

(J)_____Read about their new employer activities in the newspaper or Chamber of Commerce magazine

(K)_____Executive Order 11598 (mandatory listings) forced me to use them

12. If you have started using the Employment Service in the last eight months or have begun to use it more intensively, please list the primary (Top 3) action which led to this.

(A)_____Have used them about the same all along
(B)_____Got going them
(C)_____Started referring better applicants
(D)_____A visit from their Employer Services Unit to explain their services
(E)_____Received a promotional telephone call from them
(F)_____Received a brochure(s) describing their services
(G)_____Their radio announcements
(H)_____Their television announcements
(I)_____They were recommended by a business associate
(J)_____Read about their new employer activities in the newspaper or Chamber of Commerce magazine
(K)_____Executive Order 11598 (mandatory listings) forced me to use them

13. If your firm once used the State Employment Service and has stopped using it during the last eight months, what are the reasons? (Check ONE OR MORE)

(A)_____We still use the State Employment Service
(B)_____We never used them
(C)_____Referred poor quality of applicants
(D)_____Very slow service
(E)_____The staff was not competent enough to properly service our needs
(F)_____Excessive calls to get us to hire special applicants for whom we just didn't have appropriate jobs
(G)_____Could not fill my orders
(H)_____Lost my personal contact with the local office
(I)_____Too much promotion, not enough performance

14. If your firm is not presently using the State Employment Service, what would it require to convince you that the service could effectively handle your job orders?

(A)_____We do presently use them
(B)_____Favorable testimonies from other businessmen
(C)_____A trial job opening to fill
(D)_____A personal visit to discuss services and capabilities
(E)_____Some combination of the above (B, C, D)

15. What sources have you used during the last eight months when placing a job order for hourly employees? (PLEASE CHECK ONE OR MORE)

(A)_____State Employment Service, local office
(B)_____Hiring at your facility, walk-ins (persons with no referrals)
(C)_____Referrals by employees of your firm (friend, relative)
(D)_____Private (fee charging) agencies
(E)_____Non-fee charging private association (employer association, trade association, etc.)
(F)_____Schools (public, trade, junior college, college, business, etc.)
(G)_____Media (newspapers, trade journals, association bulletins)
(H)_____Union hiring halls (joint apprenticeship committees)
(I)_____Non-profit community agencies (Community Action Program, Urban League, Latin-American Association, etc.)
(J)_____Other

16. What sources have you used during the last eight months when placing a job order for salaried employees? (PLEASE CHECK ONE OR MORE)

(A)_____State Employment Service, local office
(B)_____Hiring at your facility, walk-ins (persons with no referrals)
(C)_____Referrals by employees of your firm (friend, relative)
(D)_____Private (fee charging) agencies
(E)_____Non-fee charging private association (employer association, trade association, etc.)
(F)_____Schools (public, trade, junior college, college, business, etc.)
(G)_____Media (newspapers, trade journals, association bulletins)
(H)_____Union hiring halls (joint apprenticeship committees)
(I)_____Non-profit community agencies (Community Action Program, Urban League, Latin-American Association, etc.)
(J)_____Other

17. What, if any, services provided to you in the last eight months, by the Employment Service were of value to you? (PLEASE CHECK ONE OR MORE)

(A)_____Did not use their services

(B)_____None of the services used were of any value

(C)_____Placement services (screening and referral of job applicants)

(D)_____The provision of wage and other labor market information

(E)_____Guidance on special hiring practices (EEOC regulations, testing regulations, mandatory listings, etc.)

(F)_____Development of and follow-up on an OJT contract

(G)_____Assistance on improving personnel policies and practices, such as revision of job application form, improving your hiring process, etc.

(H)_____Provision of a manpower service, such as development of job specifications for one or more of my job positions, assistance with my turnover problems, etc.

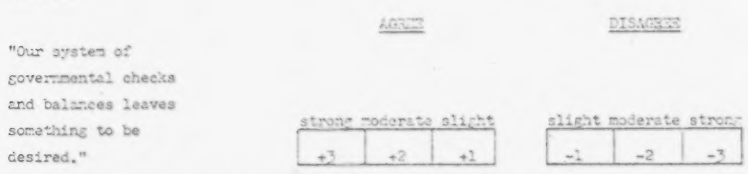
Part II

Instructions

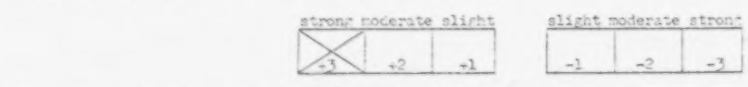
On the following pages are a number of statements about which people have differing opinions. There are no right or wrong responses to any of these items so it is important that you tell us precisely how you feel about them.

In order to make it easier for you to express your opinion, we have provided three degrees of agreement and three degrees of disagreement for each statement. Please place an "X" in the box which best describes your opinion.

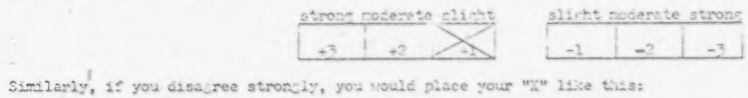
Example:



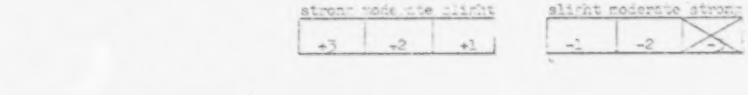
If you agree strongly, you would place your "X" like this:



If you agree slightly, you might place your "X" like this:



Similarly, if you disagree strongly, you would place your "X" like this:



PLEASE BE SURE TO MAKE A RESPONSE TO EACH STATEMENT.

PART II

		POSITIVE			NEGATIVE		
1.	The public employment service is a source of new employees to me. It seldom refers qualified job applicants.	strong +3	moderate +2	slight +1	slight -1	moderate -2	strong -3
2.	I don't object to being contacted by the many community agencies involved with job placement.	strong +3	moderate +2	slight +1	slight -1	moderate -2	strong -3
3.	Most government sponsored hiring and training programs are of little benefit to employers.	strong +3	moderate +2	slight +1	slight -1	moderate -2	strong -3
4.	There are already sufficient equal opportunity regulations and manpower training programs; what is lacking is a real desire on the part of these people to work.	strong +3	moderate +2	slight +1	slight -1	moderate -2	strong -3
5.	Most businesses in this area are doing their fair share to help alleviate the unemployment problems of veterans, minorities and other special groups.	strong +3	moderate +2	slight +1	slight -1	moderate -2	strong -3
6.	The applicants who apply for a job today are not as good as those of ten (10) years ago.	strong +3	moderate +2	slight +1	slight -1	moderate -2	strong -3
7.	Government must play a much greater role in alleviating many of the social and economic problems that burden our society.	strong +3	moderate +2	slight +1	slight -1	moderate -2	strong -3
8.	I would be positively inclined toward telephoning my job openings into a centralized unit that made them immediately available to many agencies in the community.	strong +3	moderate +2	slight +1	slight -1	moderate -2	strong -3

	AGREE			DISAGREE		
	strong	moderate	slight	slight	moderate	strong
Executive Order No. 11598 requiring all government contractors to place their job openings with the State Employment Service is an unwarranted imposition on private enterprises.	+3	+2	+1	-1	-2	-3
The State Employment Service devotes most of its time and efforts to finding jobs for special applicants, such as veterans and minorities.	+3	+2	+1	-1	-2	-3
Most persons receiving unemployment insurance benefits do not make sincere efforts to find another job.	+3	+2	+1	-1	-2	-3
The Employment Service represents the largest single source for hiring disadvantaged workers in this community.	+3	+2	+1	-1	-2	-3
The Employment Service is more concerned with service to job applicants than service to employers.	+3	+2	+1	-1	-2	-3
The State Employment Service should provide employers with services other than just job referrals.	+3	+2	+1	-1	-2	-3
I am hesitant to place my job openings for highly skilled, semi-professional, and professional positions with the State Employment Service.	+3	+2	+1	-1	-2	-3
Under normal economic conditions, I would like to receive more personal contacts from representatives of the State Employment Service.	+3	+2	+1	-1	-2	-3

		AGREE			DISAGREE		
		strong	moderate	slight	slight	moderate	strong
17	Employment Service staff members do not possess the expertise necessary to pre-screen applicants for my job openings.	+3	+2	+1	-1	-2	-3
18.	The provision of area labor market information to private employers is one of the most valuable services provided by the State Employment Service.	+3	+2	+1	-1	-2	-3
19.	The State Employment Service has made a positive contribution to my operations during the last 8 months.	+3	+2	+1	-1	-2	-3
20.	I would consider listing all my job openings with the State Employment Service.	+3	+2	+1	-1	-2	-3
	Many employers do not use the placement services of the Employment Service because too many persons, who don't really deserve it, are allowed to collect unemployment insurance payments.	+3	+2	+1	-1	-2	-3
22.	The Employment Service must be substantially changed to become more responsive to applicants and employers or it eventually will be discontinued.	+3	+2	+1	[illegible]ht	-2	-3

Part I

Instructions

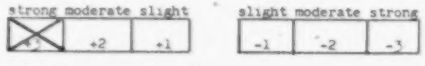
On the following pages are a number of statements about which people have differing opinions. There are no right or wrong responses to any of these items so it is important that you tell us precisely how you feel about them.

In order to make it easier for you to express your opinion, we have provided three degrees of agreement and three degrees of disagreement for each statement. Please place an "X" in the box which best describes your opinion.

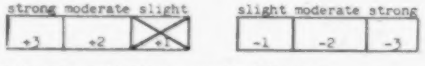
Example:

"Our system of governmental checks and balances leaves something to be desired."

If you agree strongly, you would place your "X" like this:



If you agree slightly, you might place your "X" like this:



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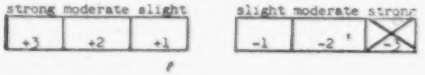

PLEASE BE SURE TO MAKE A RESPONSE TO EACH STATEMENT.

		AGREE			DISAGREE		
		strong	moderate	slight	slight	moderate	strong
1.	Our branch office provides effective services to both employers and applicants.	+3	+2	+1	-1	-2	-3
2.	Our branch office should only be concerned with job placement, leaving job development and the provisions of training and supportive services to other agencies; such as the CAP's, NAB-JOBS, etc.	+3	+2	+1	-1	-2	-3
3.	The law that necessitates the registering of all U.I. claimants at the branch office is a waste of valuable staff time.	+3	+2	+1	-1	-2	-3
4.	The Job Bank has made a substantial improvement in the way the branch office services both employers and applicants.	+3	+2	+1	-1	-2	-3
5.	Local community agencies engaging in job development don't possess the professional expertise of our branch office staff.	+3	+2	+1	-1	-2	-3
6.	The majority of employers are hesitant to place job orders with the branch office, because they believe they will not have quality job-ready applicants referred to them.	+3	+2	+1	-1	-2	-3
7.	The Job Bank has reduced the amount of paper work in the branch office.	+3	+2	+1	-1	-2	-3
8.	Given present staffing conditions, every applicant registering with the branch office, who is job-ready, should have the opportunity to review job possibilities with a placement interviewer.	+3	+2	+1	-1	-2	-3

		AGREE			DISAGREE		
		strong	moderate	slight	slight	moderate	strong
9.	Many applicants are presently turned away from the branch office without having received some service such as; job referral, job development, counseling,.referral to training programs and supportive services, etc.	+3	+2	+1	-1	-2	-3
10.	My salary is fair, relative to my duties and responsibilities at the branch office.	+3	+2	+1	-1	-2	-3
11.	The Job Bank has improved job placement activities for the disadvantaged.	+3	+2	+1	-1	-2	-3
12.	The lack of privacy in the branch office makes it that much more difficult to properly do my job.	+3	+2	+1	-1	-2	-3
13.	The working conditions at the branch office (hours, adequacy of facilities, cleanliness, noise level, etc.) are, in general, satisfactory.	+3	+2	+1	-1	-2	-3
14.	The Job Bank has resulted in an increase in job listings.	+3	+2	+1	-1	-2	-3
15.	I usually find myself in agreement with the existing policies and practices of my state agency.	+3	+2	+1	-1	-2	-3
16.	As was true of so many programs in the past, the Job Bank will be gone and virtually forgotten within two years.	+3	+2	+1	-1	-2	-3
17.	I spend too much time performing job duties that are below my level of competence.	+3	+2	+1	-1	-2	-3

		AGREE			DISAGREE		
		strong	moderate	slight	slight	moderate	strong
		+3	+2	+1	-1	-2	-3
18.	I'm often given job duties and responsibilities without having the authority to assure that they are successfully implemented.						
19.	At our branch office there is equal treatment for all employees.						
20.	The role of *my* supervisor should be to make the decisions and instruct me on what I'm to do.						
21.	Employment Service branch offices should be given the authority and responsibility to coordinate all job development activities between other agencies within their local communities.						
22.	One of the reasons why many employers hesitate to place job orders with the branch office is the poor quality of applicants that come into the branch office.						
23.	One of the most negative aspects of Civil Service is that it prevents better employees from advancing as quickly as they should, while protecting marginal employees from being discharged.						
24.	I often don't get the kind of cooperation from my fellow workers that would enable me to do my job well.						
25.	The Job Bank has not proved to be practical for our branch office operations.						

		AGREE			DISAGREE		
		strong	moderate	slight	slight	moderate	strong
26.	Many employers have become disenchanted with the Job Bank, because it depersonalizes branch office relations with them.	+3	+2	+1	-1	-2	-3
27.	The activities performed by my branch office make a valuable contribution to the community.	+3	+2	+1	-1	-2	-3
28.	The Employment Service must be radically changed to become more responsive to applicants and employers or it will eventually be discontinued.	+3	+2	+1	-1	-2	-3
29.	As a direct result of the MESC-Applied Behavioral Research, Inc. Project, a substantive improvement has been made in the branch office's image, in the business community.	+3	+2	+1	-1	-2	-3
30.	As a direct result of the Project (MESC-ABR) the branch's capability to obtain job openings has been improved.	+3	+2	+1	-1	-2	-3
31.	As a direct result of the Project there has been an overall improvement in communications within the Branch Office.	+3	+2	+1	-1	-2	-3
32.	The Project has not had a positive impact on any aspect of branch office operations.	+3	+2	+1	-1	-2	-3

33. Please check the number of years of education that you have completed.

High School	____ 9	____10	____11	____12
College	____ 13	____14	____15	____16
Graduate Work	____ 17	____18	____19	____20

34. Please check the time frame that most closely approximates your years of service with the State Employment Service.

(A) _____ 0-1 years

(B) _____ 1-3 years

(C) _____ 3-5 years

(D) _____ 5-10 years

(E) _____ Over 10 years

35. Please check the age range that you fall into.

(A) _____ 18-25 years old

(B) _____ 26-35 years old

(C) _____ 36-50 years old

(D) _____ Over 51 years old

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